

CHAPTER 8

COMMUNITY MEDICAID (MASSHEALTH) BENEFITS

Programs for Older Adults at Risk for Institutionalization

INTRODUCTION

In addition to providing long-term care coverage, Medicaid (known as MassHealth in Massachusetts) offers community benefits that enable older adults to stay at home while still receiving necessary care. Community MassHealth offers various programs and services to individuals age 65 and older who meet both financial and medical qualifications. Those under age 65 can also qualify if they are permanently disabled, although different rules apply. Individuals who are eligible for MassHealth insurance can also be covered by their own private insurance. For those older adults who wish to live at home, MassHealth offers various programs that allow an older adult to receive some care within their home. Adult and supportive day care, transportation and caretaker services are among a multitude of benefits that MassHealth provides to empower older adults to live at home. An experienced elder law attorney can help an individual determine which program might be most appropriate for each individual's particular circumstances.

Note that qualifying for MassHealth in a community setting does not translate into coverage in a nursing home setting. Planning for community MassHealth may have adverse consequences for achieving nursing home eligibility if not done properly, as the income and asset rules vary for all benefits. For example, the transfer rules differ in a community setting from the long-term care nursing home rules. In addition, be advised that there could be estate recovery claims. Therefore, one should consult with an elder law attorney who is well-versed in these matters. Regulations and agency practices also change regularly.

A. HOME- AND COMMUNITY-BASED SERVICES WAIVERS

For older adults who require nursing home-level care, but would like to live at home or in a residential community, Home- and Community-Based Services Waivers, also referred to as the Frail Elder Waiver (FEW), authorize MassHealth to pay for those services, regardless of the number of hours needed. The waiver program serves three important purposes: (1) saves the state money; (2) allows the older adult to remain at home with care; and (3) provides older adults with greater choices in their care. Under the FEW program, the responsibility of care for the older adult is shifted to family members, home care agencies or other designated caregivers. The goals of the program are to help older adults age outside of a nursing home, and to promote independent living. If an older adult qualifies for the FEW, they can participate in the Community Choices or Personal Care Attendant (PCA) programs, the Program of All-Inclusive Care for the Elderly (PACE), or senior care options (SCO), if eligible. Note that the extent of services authorized and the availability of providers may vary by geographic area.

1. The FEW allows those older adults who are eligible for nursing home care to receive services at home. To qualify for the waiver, an older adult must either be at least 65 years old or, if under 65, be permanently and totally disabled. Additionally, the individual must meet a clinical requirement and show that, if they did not receive waiver services, they would require institutionalization (nursing home care). In addition to the typical asset limitation of \$2,000 for MassHealth services, the waiver imposes a 2025 income threshold of \$2,901 per month. For couples, the income of the healthy spouse is not counted in determining eligibility. The non-applicant spouse's assets, however, are limited to \$157,920 (2025) (other than for the PACE program), but it is often beneficial to apply for only one spouse or to apply separately. Note that a recent MassHealth hearing decision found that long-term care insurance benefits are not considered income when determining eligibility for the FEW program. Although the administrative decision is not binding on MassHealth, it should be mentioned at the time of application, if appropriate.
2. If an individual's gross monthly income is greater than \$2,901, there will be a recurring six-month deductible that must be met before MassHealth coverage will begin. For example, if a single applicant's gross monthly income is \$2,951 (\$50 over the income limit), the Medicaid \$522 standard (less a \$20

income disregard) is applied and subtracted from \$2,901. That figure, \$2,409, is then multiplied by six, and as a result, a \$14,454 deductible must be met every six months before MassHealth benefits will begin/resume. This amount has to be paid out of pocket for medical or remedial expenses by the individual (remember, this individual can only have \$2,000 of assets) every six months, and then proof of payment has to be sent to MassHealth before becoming eligible for benefits. This approval is not retroactive, and then the individual has to meet this deductible every six months. *Note, if the income of an individual who was initially deemed eligible for the FEW (300% of the Federal Benefit Rate (FBR) or less) increases to a sum that exceeds this amount, the individual may still continue receiving benefits by paying the difference between their actual income and 300% of the FBR as a co-pay.

3. Applicants seeking coverage under the PCA program may have lower recurring deductibles, since an additional \$1,212.54 PCA disregard is subtracted from their gross income, resulting (using the prior example) in a monthly deductible of \$1,196, which, when multiplied by six, imposes a \$7,187 deductible (as opposed to a whopping \$14,454 deductible) that must be met every six months to maintain eligibility. An individual needing only 12-15 hours of care each week might benefit from applying for MassHealth benefits to cover care after the deductible is met.
4. Applicants must meet any deductible by paying qualifying medical expenses, including caregivers, Medicare and supplemental health (Medigap) premiums, and prescription and dental insurance premiums. Once the deductible is satisfied, MassHealth covers services for the balance of the six-month period, and the individual may retain all of their income. In many cases, however, individuals find that they can meet the recurring six-month deductible only if they have access to other resources (non-countable VA Aid and Attendance benefits, or family or spousal assets, for example, as assets are limited to \$2,000 for a single individual and \$3,000 for a married couple). Advocacy and legislative efforts are underway to reduce the deductible amounts, with the goal of ensuring that more individuals may remain at home, but it is unclear whether or when they will be successful.
5. Because MassHealth does not impose penalties for transferred assets in community cases, it is imperative that all applicants, but particularly those who anticipate having the recurring deductible, do not spend down their assets to \$2,000. Instead, they should consider moving excess assets out of their name to a trusted individual (who may have to return them, if long-term nursing home care is needed later) so that funds will be available for medical and non-medical expenses, including their recurring six-month deductible (if applicable), and so that they may stay in their home and receive care. However, this is not without some risk and should be done ONLY with the advice of an experienced elder law attorney.
6. Services and benefits of the FEW include MassHealth coverage of adult day health and supportive day programs. Supportive day is a social model day program, and adult day health is a medical model day program for older adults who need supervision and health services during the day, but will return home at the end of the day (the individual can leave home for services and be covered by the waiver). In addition, MassHealth covers home health services under the waiver. Additional benefits may include home-delivered meals, home modifications to improve accessibility, and transportation assistance for medical or other appointments.

B. COMMUNITY CHOICES UNDER FEW

Community Choices is a more care-intensive program for FEW participants who either face imminent nursing home placement or currently reside in a nursing home but wish to return home or to the community. To be eligible, the older adult must be already enrolled in or eligible for the FEW.

1. The program provides extensive home- and community-based services to older adults who require nursing home-level care and exhibit at least one of four indications of frailty:
 - a. Actively sought nursing home facility care within the last six months;
 - b. Recently experienced a serious medical event, regression in physical or cognitive functional ability, or a cumulative deterioration in functional ability;

- c. Was discharged from a nursing facility within the last 30 days; or
 - d. Is at risk of nursing facility admission due to the instability or lack of capacity of informal or formal supports.
2. Services are also provided to older adults who exhibit at least one of five clinical characteristics demonstrating risk:
- a. Needs 24-hour supervision because of complex health conditions;
 - b. Experiences a significant cognitive impairment;
 - c. Is unable to manage/administer prescribed medications;
 - d. Experiences frequent episodes of incontinence; or
 - e. Requires daily supervision and assistance with two activities of daily living (ADLs).
- ADLs are activities performed by a PCA to physically assist a member to transfer, take medications, bathe or groom, dress and undress, engage in passive range of motion exercises, eat and toilet.
3. Services are provided by an agency hired through MassHealth and administered through the local Aging Service Access Point (ASAP). Community Choices offers more hours of service than any other similar program, and the care can often be put in place more quickly than other community care programs. Services offered include personal care, homemakers, nursing, companions, chore assistance, delivered meals, grocery delivery, laundry, transportation, home-based wander response systems, transitional assistance, and supportive day and adult day health.

C. PACE PROGRAM

The PACE program provides comprehensive medical and social services to frail older adults so as to allow them to live in their communities and to receive all of their health services under the same umbrella.

1. To be eligible, an individual must:
- a. Be 55 years of age or older;
 - b. Live in a service area of a PACE organization (the PACE program is only available in certain parts of Massachusetts);
 - c. Be able to live safely in the community;
 - d. Be certified by the state as eligible for nursing home care; and
 - e. Agree to receive health services exclusively through the PACE organization.

All of the medical services are provided by MassHealth at no cost to the older adult. To be financially eligible, an individual's assets cannot exceed \$2,000, and a couple's assets cannot exceed \$3,000 if both are seeking coverage. Under current law, if only one member of a couple needs services, the non-applicant spouse's income and assets will be disregarded. In addition, the income threshold for an individual in 2025 is \$2,901 (with a deductible imposed if the applicant's income exceeds this figure). Note that the people who are not eligible for MassHealth can enroll in the PACE program and pay a monthly fee.

Through PACE, MassHealth will coordinate care for the older adult and provide the individual with medical professionals, including doctors, nurses, aides, therapists and social workers. Under this program, the older adult receives their primary care, emergency care, prescription drugs, in-home services, transportation and more. The services are available 24 hours a day, seven days a week. Although this coverage is comprehensive, it is important to note that a PACE recipient will have to change their doctor(s) and other medical providers to the PACE provider(s), and will be limited to which hospitals they can use for services.

The PACE program offers these services to recipients who are living at home in the PACE service area through the PACE Elder Service Plans. The recipients typically go to the PACE Elder Service Plan for a portion of the day to receive their care and receive some care in their homes. The PACE program also offers these services to recipients in assisted living residences and provides assistance with the cost of the assisted

living facility. The individual would contribute most of their income toward the cost of the assisted living facility, and the PACE program pays its contracted portion. That said, the assisted living facility must be in a PACE service area and must have a contract with the PACE program. Even if an assisted living facility is in a PACE service area and has a contract with PACE, the facility will only have a limited number of PACE beds. Individuals typically go in private-pay and get on a wait list for a PACE bed. For folks with limited funds, it is important to find out if the assisted living facility they are moving to has a contract with the PACE program and how they get on the wait list. If an individual with limited funds uses all of their assets to pay privately at a non-participating assisted living facility, they will have difficulty transitioning to a facility that accepts PACE because they will have no funds left to private-pay for the waiting period. It is important to note that the Veterans Aid and Attendance benefit could also be available to assist with the cost of private pay during the waiting period. See Chapter 10 for more information on this program.

D. PERSONAL CARE ATTENDANT (PCA) PROGRAM

The PCA program provides personal care services to older and disabled Massachusetts residents who wish to remain living at home. The PCA program is administered by MassHealth and seeks to enable independent living and prevent unnecessary or premature nursing home institutionalization. While MassHealth pays the caregivers, participants in this program or their surrogates are responsible for directing the care to assist with ADLs and instrumental activities of daily living (IADLs). A PCA participant or their surrogate acts as an employer and can hire friends, neighbors or certain family members (spouses and legal guardians are not eligible) to be their personal care attendant.

1. Eligibility Requirements.

- a. The PCA wage rate is \$19.50 per hour as of July 1, 2024, and \$20 per hour as of July 1, 2025. Based on the federal poverty levels, effective Jan. 21, 2025, the MassHealth PCA disregard amount is \$1,212.54 for an individual and \$2,344.12 for a couple.
- b. To be eligible for the program, an individual must have a permanent or chronic disability that requires them to receive hands-on assistance to perform at least two ADLs. ADLs are activities performed by a PCA to physically assist a member to transfer, take medications, bathe or groom, dress and undress, engage in passive range of motion exercises, eat and toilet. A doctor or nurse practitioner must prescribe the services for the older adult, and the services must be medically necessary.
- c. Additionally, the older adult must meet the \$2,000 asset limitation to qualify for MassHealth and a \$3,000 asset limitation for a couple. Each PCA applicant is assessed by a nurse and occupational therapist during enrollment in the program to determine the number of hours per week that assistance is required; MassHealth will then provide a budget for care services.
- d. Benefits include assistance with ADLs (e.g., bathing, grooming, eating, etc.), IADLs (e.g., homemaker services, laundry, meal preparation, etc.) and transportation. A personal care attendant may not be paid: (a) to help an older adult who is in a hospital or nursing facility, or in a community program funded by MassHealth; (b) to provide social services, such as babysitting, recreation or educational activities; or (c) to provide medical services that are available from other MassHealth providers.

E. SENIOR CARE OPTIONS

1. Eligibility.

Senior Care Options (SCO) is a no-cost health insurance and care program for individuals eligible for MassHealth and Medicare who are 65 or older, and it offers health services with social support services. SCO members receive all covered health services through the SCO plan, and they have a primary care physician (PCP) who is affiliated with the SCO, 24-hour access to care and active involvement in decisions about their care. All services are provided by the SCO and the PCP, and a team of nurses, specialists, and geriatric support services professionals develops an individualized plan of care.

- a. Enrollment is voluntary and open to MassHealth Standard members who are 65 or older;
- b. Reside in an area serviced by an SCO;
- c. Live at home or in a long-term care facility;
- d. Do not have to meet a recurring six-month deductible;
- e. Do not have end-stage renal disease.

The benefits for SCO members include all health services covered by MassHealth Standard, as well as coordination of care, including a centralized record of medical information, individualized assessment, primary and specialty medical care, preventive care, emergency care, X-rays and lab tests, medical supplies and equipment, prescription drugs, mental health and substance abuse treatment, rehabilitative therapy, nursing facility care (if needed), transportation for services, geriatric support services, adult day care, dental care and eye care, home care services and family caregiver support.

NOTE TO SCO AND PACE MEMBERS: If you enroll in MassHealth, and die with individually owned assets (this is referred to as a probate estate), MassHealth will have an automatic lien against your estate. MassHealth will seek reimbursement not for the costs of medical care and treatment, but for monthly premiums, which MassHealth pays to the SCO on your behalf. MassHealth starts making the premium payments in the month after you enroll, and the payments could be as much as \$3,000 per month.

If you are enrolled in SCO or PACE, you should discuss ways to avoid probate with an elder law attorney in order to avoid any estate recovery lien.

F. OTHER PROGRAMS FOR OLDER ADULTS

MassHealth also offers community programs to those older adults who are not at risk for institutionalization, but nonetheless require help within the home. These programs help prevent an older adult from entering a long-term care facility and aim to promote independent living among older adults.

1. SSI-G/Group Adult Foster Care

The SSI-G (the Supplemental Security Income assisted living benefit) and Group Adult Foster Care (GAFC) programs are designed for older adults who wish to transition to assisted living residences, but cannot afford the monthly rates. The GAFC program pays a daily rate to the assisted living facility directly for personal care and services, while the SSI-G component helps pay for the rent portion at an assisted living facility to the individual directly.

An individual can get GAFC benefits without SSI-G. For 2025, GAFC pays \$50 per day (\$1,525 per month) directly to the assisted living facility for services, such as daily personal care, homemaking, meals and transportation. The assisted living facility may combine the GAFC services with the room and board, which is paid by the resident, and the SSI-G program. The resident does not have to apply for or be eligible to receive SSI-G in order to qualify for GAFC. New regulations have been implemented for GAFC and can be found at 130 CMR 408.502 through 408.527.

Certain assisted living residences offer a limited number of beds for applicants who meet certain eligibility criteria:

- a. Over the age of 60 or chronically disabled;
- b. Have a medical, physical, cognitive or mental condition that limits their ability to care for themselves;
- c. Need daily help with one or more ADLs (e.g., dressing, bathing, eating or toileting);
- d. Have the ability to live independently, with support services;
- e. Meet eligibility requirements for public housing, GAFC, ElderChoice subsidized rents and/or SSI-G;
- f. Do not need full-time skilled nursing care;

- g. Are medically approved for assisted living by their physician and Aging Services Access Point (ASAP).

To qualify for GAFC, an individual may not have more than \$2,000 in countable assets, and a couple may not have more than \$3,000 in countable assets. Because MassHealth does not impose penalties for transferred assets in community cases, it is imperative that all applicants, but particularly those who anticipate having the recurring deductible, do not spend down their assets to \$2,000. Instead, they should move excess assets out of their name to a trusted individual (who may have to return them, if long-term nursing home care is needed later) so that funds will be available for medical and non-medical expenses. This should be done ONLY with the advice of an experienced elder law attorney.

In addition, if an individual's income is greater than \$1,324 (2025), or a couple's income is greater than \$1,783 if both spouses are applying (100% of federal poverty level), there will be a recurring six-month deductible.

Applicants must satisfy the deductible by paying qualifying medical expenses, including Medicare and supplemental health insurance premiums. Because only a portion of the monthly assisted living fee qualifies as a medical expense (the majority is considered room and board), individuals who are required to meet deductibles may have to pay as much as four times the amount of the deductible figure. Therefore, in cases where an applicant needs to meet a recurring six-month deductible, GAFC eligibility can be maintained only if the individual has access to other resources (non-countable VA Aid and Attendance benefits, or spousal or family assets, for example). Once GAFC benefits are in effect, the resident is required to contribute their income toward the monthly rent portion; GAFC pays the medical portion.

G. MASSACHUSETTS ADULT FAMILY CARE

1. Adult Family Care Program

The Adult Family Care program is a relatively new MassHealth program that provides care to older or disabled individuals by having the older adult move into a caregiver's home or having a caregiver move into the older adult's home.

- a. Similar to all MassHealth programs, the applicant must have less than \$2,000 in assets to qualify.
- b. Eligible caregivers include family members, friends or a professional service.
- c. Spouses and legal guardians are not eligible caregivers.
- d. Caregivers are paid for the 24-hour personal care they provide, and typically offer assistance with ADLs and IADLs. Although MassHealth will not pay for the room and board of the individual, depending on the level of care, caregivers receive an annual tax-free payment of between \$9,000 and \$18,000 from MassHealth, with the payment based on the level of care needed.
- e. Caregivers also can receive as many as 14 respite care days per year.
- f. To be eligible for Adult Family Care, the applicant must be 16+ or disabled and require either help with one ADL (level 1) or 24-hour assistance with ADLs (level 2). Care requirements, however, cannot be so severe as to necessitate residency in a nursing home.

H. OTHER IMPORTANT OLDER ADULT PROGRAMS

1. Statewide Nutrition Programs

The Elderly Nutrition Program, administered by the Executive Office of Elder Affairs, allows local agencies to provide nutritious meals to older adults. Meals are provided at congregate meal sites, such as senior centers, churches, schools and other locations. The congregate setting provides opportunities for socialization and companionship. It also offers programs related to nutrition education, exercise activities, health promotion and disease prevention. Some programs also offer meals on weekends. Transportation is often available for those who have trouble getting around on their own. The Elderly Nutrition Program also provides home-delivered meals to older adults (age 60 or older) and handicapped or disabled people

under age 60 who live in housing facilities occupied primarily by older adults where congregate meals are served.

Each meal contains at least one-third of the current daily Recommended Dietary Allowance of nutrients and considers the special dietary needs of older adults. In addition to providing meals, the Elderly Nutrition Program provides access to social and rehabilitative services.

To apply for one of the elderly nutrition programs, contact the Executive Office of Elder Affairs at (800) 882-2003 to find the elderly nutrition agency nearest to you.

2. Prescription Advantage

Prescription Advantage is a prescription drug insurance plan available to all Massachusetts residents age 65 and older, as well as younger individuals with disabilities who meet income and employment guidelines. An older adult is eligible for the program if they are not receiving prescription drug benefits under Medicaid. Individuals receiving Medicare benefits may be eligible for assistance with paying for prescription drug costs (also known as “Extra Help”) from Social Security. In order to receive this assistance, an application must be submitted to Social Security.

3. Pharmacy Outreach Program

The Massachusetts College of Pharmacy and Health Sciences (MCPHS) Pharmacy Outreach Program is a community service offered by the university. The purpose of the Pharmacy Outreach Program is to work closely with local and statewide health care resources, physicians and older adults to help relieve the burden of medication expenses. Any Massachusetts resident may utilize the MCPHS Pharmacy Outreach Program toll-free telephone number, (866) 633-1617, to inquire about prescription drug medication support programs that are available at low cost or free of charge. The website is www.MCPHS.edu/PharmacyOutreach. Consumers can ask any questions regarding their medications and general health.

4. Serving the Health Information Needs of Everyone Program

The Serving the Health Information Needs of Everyone (SHINE) program provides health insurance counseling services to older and disabled adults. SHINE counselors are trained to handle complex questions about Medicare, Medicare supplements, Medicare Health Maintenance Organizations, public benefits with health care components, Medicaid, free hospital care, prescription drug assistance programs, drug discount cards and long-term health insurance.

SHINE counselors help older adults and Medicare beneficiaries understand their rights and benefits under Medicare and other health insurance coverage. Counselors can identify and compare current options, and protect older adults from paying too much for their medical care. SHINE counselors also help older adults learn how to fill out insurance claims forms and public benefits applications.

SHINE counselors are available at most councils on aging, senior centers and Aging Services Access Points, hospitals and libraries. Counselors are also available for homebound clients. To locate a SHINE counselor in your community, contact your regional SHINE program at <https://www.mass.gov/info-details/find-a-shine-counselor>.

I. CONCLUSION

A long-term nursing facility is not the only choice for an older adult. There are a multitude of options for older adults who require medical care or assistance with everyday life, but do not wish to enter a nursing home. One of MassHealth’s community programs might be the solution for a qualified older adult to remain at home and independent. Applying for the above programs can be very complicated and often differ among MassHealth workers and offices. Individuals seeking eligibility should consult an experienced elder law attorney knowledgeable about these programs.

