

Topsail Voice

NORTH CAROLINA TO REEVALUATE CHANGES TO MEDICAID

North Carolina's Department of Health and Human Services has decided to take a second look at its proposal to stiffen penalties for older and disabled people who have made gifts to family or charity within five years of applying for Medicaid. Faced with an onslaught of criticism for the stricter guidelines, the State has elected to delay by two months the effective date originally set for January 1, 2007.

The new rules are intended to prevent the elderly from intentionally disposing of assets—both cash and real estate—that otherwise would be used to pay for their long-term care. The rules further require that a person applying for Medicaid may have to demand that a donation to a church or grandchild be returned, even after five years.

One of the immediate problems with these changes will be the number of elderly who, after entering a nursing home, learn that Medicaid will not pay for their care. "We admit because people need the care," said Craig Souza, president of the North Carolina Health Care Facilities Association. "We don't have the time or the expertise to decide eligibility. We've got to be really careful that we don't create a whole new level of indigent care."

Among those opposing the new rules are the AARP, the elder-law section of the N.C. State Bar, the Association for Hospice and Home Care of North Carolina, the North Carolina Justice Center and a Charlotte-based legal services group. The association of county directors of social services, which require their members to decide eligibility for Medicaid applicants, are also questioning the wisdom of these tougher rules. The State has scheduled another hearing for the public on the proposed changes.