

**Medicaid Eligibility Criteria for Long Term Care
Services:
Access for People with Alzheimer's Disease and
Other Dementias**

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Summary

In the face of tight budgets and rising expenditures for Medicaid long-term care services, states may seek to reduce costs by limiting the number of people who are eligible for these services. One method for doing so is to tighten the level-of-care criteria used to determine eligibility for nursing home and home and community waiver services.

Almost everyone who has Alzheimer's disease or other dementias (hereafter, dementia) and lives long enough will eventually need long-term care services and many will require nursing home care when their needs overwhelm informal caregivers. The Alzheimer's Association (hereafter, the Association) has a critical interest in ensuring that people with dementia have access to Medicaid-funded nursing home care and home and community services when needed. The Association is particularly concerned that States not tighten their eligibility criteria for long-term care services in a way that has a disproportionately negative effect on people with dementia.

Given the Association's concerns about the tightening of level-of-care criteria, the Association undertook a study of six states' level-of-care criteria and assessment processes to determine whether people with dementia can qualify for Medicaid funding of nursing home care and home and community waiver services. This issue brief describes Medicaid eligibility issues for people with dementia and discusses how these six states determine eligibility for Medicaid-funded long-term care services. Based on an analysis of these states, the Association makes recommendations (1) for appropriately assessing the long-term care needs of people with dementia, and (2) for setting level-of-care criteria that treat people with physical and cognitive impairments equitably.¹

Recommendations

1. The need for assistance with activities of daily living (ADLs) must be defined to include verbal assistance and the extent or severity of need must be determined by the duration of the assistance required, not the type of assistance.
2. ADLs and the terms used to assess the need for assistance must be defined clearly and comprehensively and the terms must be used consistently in the assessment process.
3. When states tighten their level-of care criteria by considering only a limited number of ADLs to determine eligibility or require a very high level of assistance for ADLs, they must develop comparable measures of need for people with dementia and weight them appropriately so that people with severe impairments will be eligible.
4. Level-of-care criteria must include measures of individuals' need for supervision to protect them from the negative effects of impaired judgment and decision-making; impulsive, inappropriate or disruptive behaviors; and other potentially harmful behavior such as wandering. These measures must be weighted appropriately so that people with severe impairments will be eligible.

5. Level-of-care criteria must not require individuals to have medical or nursing needs.
6. States must not use a score on the Mini-Mental Status Examination (MMSE) or similar mental status tests to determine eligibility for services or to assess the need for services.

People with dementia must be appropriately assessed and equitably treated in the functional eligibility determination process under Medicaid. States should review these recommendations and determine if their assessment processes and level-of-care criteria must be modified to incorporate them.

¹ To be eligible for Medicaid, individuals must also meet financial eligibility criteria, which are not discussed in this issue brief.