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December, 2022

Dear Colleague,

When the COVID pandemic began in March, 2020, the federal government declared a public health emergency (PHE). The PHE is still in effect as of early December when this email was prepared. Because of the PHE, no one should have received a Medicaid termination notice for any reason -- even if the Medicaid beneficiary has more resources than the allowable maximum.

However, at some point (possibly in mid-April, 2023) the PHE will officially end, and then **"Medicaid unwinding"** will begin. **The term Medicaid unwinding describes the process that NJ Medicaid will use to determine whether individuals who have been receiving NJ FamilyCare/Medicaid are eligible to continue receiving Medicaid.** Therefore, when the PHE has ended, NJ Medicaid will mail redetermination paperwork to *everyone* who has NJ FamilyCare/Medicaid, including individuals with intellectual and developmental disabilities (IDD). *It should be noted that this redetermination process will be for people who have NJ Medicaid, not for those who have SSI and Medicaid.*

Some individuals with IDD may receive renewal applications from NJ Medicaid now, even though the PHE has not ended. It is always important to respond promptly when receiving a Medicaid renewal application.

**It is important to notify NJ Medicaid if there has been a change of address.** If the Medicaid beneficiary has moved since March, 2020, families of Medicaid enrollees with IDD should be certain that NJ Medicaid has the up-to-date address on file. If you don't know whether Medicaid has the correct mailing address, please contact the call center for NJ FamilyCare/Medicaid at **800-701-0710**. If NJ Medicaid does not have your current mailing address, please provide it.

**After the PHE has ended, and the NJ Medicaid redeterminataion process is underway, anyone who has more than the allowable amount of resources is at risk for a Medicaid termination! Therefore, it is important to pay attention now to the amount of resources that Medicaid beneficiaries with intellectual and developmental disabilities (IDD) have. Caregivers should be certain that the resources (assets) do not exceed the allowable Medicaid limits. Please see below for additional information.**

1. For most individuals with IDD enrolled in New Jersey's Aged, Blind and Disabled (ABD) Medicaid program, the maximum amount of allowable resources is a total of only **\$2,000**. The allowable exceptions are having an ABLE account or a special needs trust (SNT) as long as it was prepared by an attorney who has expertise in writing an SNT that is in accordance with NJ Medicaid regulations.

2. Enrollment in NJ WorkAbility Medicaid is another exception to the \$2,000 resource limit. The current NJ WorkAbility regulations allow individuals with disabilities who are employed part-time or full-time to have up to **\$20,000** in resources. People enrolled in NJ WorkAbility Medicaid are also permitted to have a retirement account (e.g., IRA or 401k).

3. Another exception on the \$2,000 maximum in resources occurs if a person with IDD has recently received a "back payment" from Social Security. The recipient of a back payment from Social Security is permitted nine (9) months from the date it is received to spend it down to \$2,000.

4. For anyone with IDD who has resources that exceed, or are likely to exceed, the Medicaid resource limits mentioned above, there are a few options:

- A spend-down for items that are needed for the individual with IDD, such as new computer equipment, therapies that are not otherwise covered, etc. All of the spend-down expenditures should be clearly documented and please keep all receipts.
- If the Medicaid enrollee has resources that are in excess of the Medicaid maximum amount, then opening an ABLÉ account may be appropriate (see below for more information on ABLÉ accounts).
- If the Medicaid enrollee's resources are higher than the amount that can be deposited into an ABLÉ account (\$16,000 per year), then a Special Needs Trust (SNT) should be considered. If a special needs trust will be prepared, it is strongly recommended that the parents contact an attorney with extensive experience and a thorough understanding of the Medicaid SNT regulations.

5. ABLÉ accounts are special, tax-advantaged savings accounts for persons with disabilities. The acronym ABLÉ stands for "Achieving a Better Life Experience." To be eligible for an ABLÉ account, the onset of the disability must have occurred before the age of 26. Deposits are limited to a total of \$16,000 per calendar year. Having an ABLÉ account does not jeopardize one's eligibility for Supplemental Security Income (SSI) or NJ Medicaid. For information on NJ ABLÉ, see this website: <https://savewithable.com/nj/home.html> Additional information on ABLÉ accounts is available from the ABLÉ National Resource Center: [www.ablenrc.org](http://www.ablenrc.org) The Arc of New Jersey Family Institute has developed a fact sheet, which provides a helpful summary about **ABLÉ accounts**.

Whenever the public health emergency (PHE) is scheduled to end, we anticipate receiving 60 days' notice. Whenever we receive that notification, I will distribute the information to everyone on my listserv. If you did not receive this email directly from The Arc of New Jersey, and you want to sign up for this listserv, you can easily do that on my website: [www.mainstreamingmedicalcare.org](http://www.mainstreamingmedicalcare.org).

Please share this information with others who may also be interested.

Thank you.

Bev

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