



STATE OF DELAWARE  
DELAWARE HEALTH AND SOCIAL SERVICES  
DIVISION OF MEDICAID & MEDICAL ASSISTANCE  
PLANNING AND POLICY DEVELOPMENT UNIT

**M E M O R A N D U M**

REPLY TO  
ATTN. OF: Administrative Notice DMMA 10-2010  
TO: All DMMA and DSS Staff  
DATE: **April 26, 2011**  
SUBJECT: Home Equity

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**BACKGROUND**

Under section 6014 of the Deficit Reduction Act of 2005 (DRA), Medicaid will not pay for long-term care services for individuals who have home equity that exceeds \$500,000, or at State option a higher limit that does not exceed \$750,000. Effective January 1, 2011, these limits are to be increased by the percentage increase in the Consumer Price Index (CPI)

**DISCUSSION**

The CPI did have a slight increase between September 2009 and September 2010. This increase was not enough to offset the decline that occurred in the previous year. Therefore the increase did not have an effect on other standards. However since 2011 is the first year that the excess home equity limits are indexed to the CPI, the limits will increase by the 1.1%.

Effective January 1, 2011, the excess home equity limits will be as follows:

Minimum excess home equity limit	\$506,000
Maximum excess home equity limit	\$758,000

Delaware has elected to use the minimum excess home equity amount. Therefore, effective January 1, 2011 the excess home equity limit will be increased to \$506,000.

**ACTION REQUIRED**

DCIS II will be updated with the increased amount of \$506,000.

**DIRECT INQUIRIES TO**

Barbara L. Lewis  
(302) 424-7228

**December 2, 2010**

DATE

**Stephen Groff for**

ROSANNE MAHANEY, DIRECTOR  
DIVISION OF MEDICAID & MEDICAL ASSISTANCE