

into compliance in this regard and we need to do that, it's a mandate. On the spousal impoverishment income question, we passed a bill, LB 419, last year that extended the amount of income and assets that individuals could retain when they had a spouse that was placed in a nursing home situation. If you recall on the income side, we raised the income you could retain as a well spouse before your money went in to support the spouse in an institution; we raised it from somewhere in the range of \$350 or so up to \$475 a month. The provisions of the federal act, the Medicare Catastrophic Coverage Act that was passed last year, made major changes in this area and increases that \$475 figure we have, substantially, to a minimum of retention of at least \$786 later on this year which then would increase over time to a higher level than that. It does have a maximum amount of \$1,500 under that federal law that could be retained, but as you recall, we were talking about \$475 per month as a maximum and the federal is a \$1,500 maximum but again, that is the federal mandate and there is little we can do about it. In addition, on the resource side this Legislature determined that we would allow a splitting of assets. If you recall, last year we had a problem in that area and we allowed that split to be fifty-fifty between the well spouse and the institutionalized spouse up to \$50,000, or in other words, up to \$25,000 could be kept by the well spouse and 25,000 for the institutionalized spouse. What the Congress has done is mandated the fifty-fifty split and provided...what they call for is a \$12,500 minimum but under this legislation we have maintained a \$25,000 minimum so that is higher than mandated by the federal government. But the federal government also doesn't have the maximum of 25,000 which we had. They provide for \$60,000 maximum for half of the assets when you split them. So, in other words, in an example, under the old system that we passed under 419 last year, if you had \$30,000 in assets, you would be able to split that in half and keep \$15,000. Under this new bill, you'd be able to keep \$25,000. If you had \$50,000 in assets, you would be the same under the old and the new, you'd have \$25,000 in either case. If you had \$100,000 in assets under the bill we passed last year, you'd have the maximum of \$25,000 you could keep. Under this legislation, you would be able to keep \$50,000 and, again, the maximum would be 60,000. In other words, if you had \$120,000 in assets, you'd be able to keep 60,000. If you had \$500,000 in assets, you'd only be able to keep \$60,000. The other thing is, in addition to the asset split, you also are allowed to retain the home you're in, and equity value of \$4,500 in a motor vehicle and up to \$3,000 in a burial trust fund.