

Aging and People with Disabilities

Dale Marande

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Number: APD-IM-14-004

Issue date: 1/17/2014

Topic: Long Term Care

Subject: Obsolete SDS 3401A

Applies to (check all that apply):

- | | |
|--|---|
| <input type="checkbox"/> All DHS employees | <input type="checkbox"/> County Mental Health Directors |
| <input checked="" type="checkbox"/> Area Agencies on Aging | <input type="checkbox"/> Health Services |
| <input checked="" type="checkbox"/> Aging and People with Disabilities | <input type="checkbox"/> Office of Developmental |
| <input type="checkbox"/> Children, Adults and Families | Disabilities Services (ODDS) |
| <input type="checkbox"/> County DD Program Managers | <input type="checkbox"/> Other (<i>please specify</i>): |

Message:

Central Office has received numerous inquiries regarding obsolete form SDS 3401A. This change was discussed briefly in APD Manual Letter #62:

<http://www.dhs.state.or.us/spd/tools/letters/62.htm>

The Resource Assessment rule formerly provided a mechanism for attributing extra resources to the community spouse in order to generate income. The relevant Worker Guide instructed that this would be an amount sufficient to purchase a Certificate of Deposit, and that we would count only the income generated. This lead to attributions of very large sums to some community spouses. At a prevailing interest rate of 1.5%, \$800,000 was needed to generate \$1,000 per month in income.

By rule change effective 1-1-14, the rule now says that this amount is the amount required to purchase a single premium immediate annuity for the community spouse. If the community spouse has a life expectancy of 15 years, the same \$1,000 per month shortfall can be met with an investment of about \$162,000 rather than \$800,000.

The specifics are set forth in our Worker Guide: [OSIP WG 2](#)

The relevant rule changes are at OAR 461-160-0580(2)(c)(D) and (2)(f)(D):

<http://apps.state.or.us/caf/arm/B/461-160-0580.htm>

You may wish to check the Worker Guide periodically, as it will be updated as the inevitable issues that arise with a policy change are identified.

If you have any questions about this information, contact:

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|--------------------|--|-------------|----------------|
| Contact(s): | Bill Brautigam | | |
| Phone: | (503) 947-5204 | Fax: | (503) 947-5357 |
| Email: | Bill.h.brautigam@state.or.us | | |