

MinnesotaCare:

No provisions.

MA:

Also see §0912.05.25 (Allocations) and §0912.05.25.03 (Allocations--Community Spouse).

To calculate the amount of a client's allocation deduction for a child under 18 not living with the community spouse (which includes a child under 18 living with the LTC client's former spouse), follow the steps below.

1. Determine the child's gross earned and unearned income. If two or more children live together, but apart from the community spouse, determine their incomes separately. Add all income received less often than monthly during a calendar year and divide by 12 to determine a monthly income figure. Consider interest earned to be income.

Allow deductions from income if the child has no access to the income or control over the deduction. Do not allow MA disregards and exclusions.

2. If calculations were done for two or more children, combine the individual net incomes.
3. Subtract the total countable income from the appropriate standard in the 100% of FPG table in §0912.07.100 (100 Percent of FPG) based on the household size. The household size is the number of children living together. This is the amount of the client's allocation deduction.

EXAMPLE:

Ronald resides in an LTCF. He has two children, Jeremy, age 17, and Anne, age 15, who live with his former wife. Jeremy is employed part-time earning \$400 per month. FICA taxes of \$31 are deducted. Anne has no income. Determine an allocation from Ronald's income as follows:

1. Determine Jeremy's countable income by deducting the \$31 FICA tax. He has no control over this deduction.
2. Determine combined income for Jeremy (\$369) and Anne (\$0) for a total of \$369.
3. Subtract \$369 from the standard for a household size of 2 in §0912.07.100

(100 Percent of FPG), or \$1,070. The result, \$701, is the maximum allocation amount. Allow this amount in Ronald's LTC budget.

NOTE:

If Ronald has court-ordered child support in excess of \$701 garnished from his income, allow the excess up to a maximum of \$250. See §0913.13 (Long Term Care Spenddown Calculation).

Use the steps below to calculate the amount of a client's allocation deduction for any of the following people who live with the community spouse:

- Children under 21.
 - Children over 21 claimed as a dependent for tax purposes.
 - Parents claimed as dependents.
 - Siblings of the client or the community spouse claimed as dependents.
1. Determine the total of each family member's gross earned and unearned income separately. Do not deem the income of one family member to another. Add all income received less often than monthly during a calendar year and divide by 12 to determine a monthly income figure. Consider interest earned to be income. Do not allow MA disregards and exclusions.
 2. Subtract the amount of gross income from \$1,604 beginning 7-1-05 (\$1,562 from 7-1-04 through 6-30-05).
 3. Divide the result by 3 and round up to the nearest dollar. This is the amount of the client's allocation deduction.

EXAMPLE:

Sandra resides in an LTCF. Her 18-year-old daughter Marcy lives with Sandra's husband Steve. Marcy receives RSDI of \$250 monthly because of Sandra's disability. She is employed part time, earning \$300 per month.

Calculate an allocation for Steve as the community spouse following the steps in §0912.05.25.03 (Allocations--Community Spouse). Calculate an allocation for Marcy as follows:

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1. Determine Marcy's gross monthly income by adding the \$250 RSDI payment to her gross earnings of \$300 for a total of \$550.
 2. Subtract \$550 from \$1,604 for a result of \$1,054.
 3. Divide \$1,054 by 3. The result, \$351, is the maximum allocation amount. Allow this amount as a deduction in Sandra's LTC budget. See §0913.13 (Long Term Care Spenddown Calculation).

Verify family members' income and expenses needed to determine allocations at the time of the initial eligibility determination. After the initial eligibility determination, only verify changes, including changes reported on 6-month or annual review forms. Inform clients and family members to report changes.

GAMC:

No provisions.