DSS-4357EL WGIUPD

GENERAL INFORMATION SYSTEM DIVISION: Office of Medicaid Management 12/04/01

PAGE 1

**GIS** 01 MA/038

TO: Local District Commissioners, Medicaid Directors
FROM: Betty Rice, Director Division of Consumer and Local District Relations
SUBJECT: Spousal Impoverishment: Increases in the Federal Maximum Community Spouse Resource Allowance (CSRA), Family Member Allowance, and Community Spouse Minimum Monthly Maintenance Needs Allowance (MMMNA)
EFFECTIVE DATE: January 1, 2002
CONTACT PERSON: Bureau of Local District Support: Upstate (518)474-8216 NYC (212)268-6855

The Centers for Medicare & Medicaid Services (CMS), formerly the Health Care Financing Administration, has informed the Department that due to an increase in the consumer price index, the federal maximum Community Spouse Resource Allowance (CSRA) increases to \$89,280 effective January 1, 2002. The State's minimum CSRA will remain set at \$74,820. Therefore, in determining the community spouse resource allowance on and after January 1, 2002, the community spouse is permitted to retain resources in an amount equal to the greater of the following amounts:

- 1. \$74,820 (the State minimum Community Spouse Resource Allowance); or
- 2. the amount of the spousal share up to \$89,280 (the new federal maximum).

"Spousal share" is the amount equal to one-half of the total value of the countable resources of the couple as of the date of the first continuous period of institutionalization of the institutionalized spouse on or after September 30, 1989.

Effective January 1, 2002, the estimated annual poverty level for a family of two increases from \$11,560 to \$11,990. This figure multiplied by 150 percent, and then divided by 12 equals \$1,498.75. Therefore, social services districts must use \$1,499 (\$1,498.75 rounded up) instead of \$1,445 in the family member allowance formula. To calculate the family member allowance:

 Subtract the otherwise available income of the family member from \$1,499 (the remainder is entered on line 19a of page 5 of the Institutionalized Spouse Budget worksheet); 2. Divide the remainder (amount entered on line 19a of the worksheet) by 3, and round up to the nearest dollar. This is the family member allowance (the amount is entered on line 20 of the worksheet).

ÉÍÍÍÍÍÍÍÍÍÍÍÍÍÍÍÍÍÍ	ÍÍÍÍÍÍÍÍÍÍÍ	11111111111111111111111111111111111111	ÍÍÍÍÍÍÍÍÍÍÍÍ
°DSS-4357EL			0
°WGIUPD	GENERAL INFORMATION SYSTEM		12/04/01 •
0	DIVISION:	Office of Medicaid Management	PAGE 3 °
•GIS 01 MA/038			0
0			0

## 

DSS-4357EL			
WGIUPD	GENERA	12/04/01	
	DIVISION:	Office of Medicaid Management	PAGE 3
<b>GIS</b> 01 MA/038			

If a family member has no otherwise available income, the family member allowance is \$500. All spousal impoverishment cases involving a family member that are active on or after January 1, 2002, must be recomputed using the new family member allowance formula.

In addition, effective January 1, 2002, the Community Spouse Minimum Monthly Maintenance Needs Allowance (MMMNA) increases to \$2,232. The increased MMMNA, family member allowance, federal maximum CSRA and State minimum CSRA must be used when completing an assessment of a couple's resources and income.

Any increases in the MMMNA and family member allowance and/or changes in the NAMI of the institutionalized spouse are to be made effective January 1, 2002. Timely and adequate notice must be provided. The increased MMMNA and family member allowance must also be used effective January 1, 2002 in determining any requested contribution of income from a community spouse or from a spouse living apart from an SSI-related applicant/recipient.

As of November 26, 2001 (date of mass rebudgeting) upstate, MBL will support \$2,232 as the MMMNA for budgets with Effective From Dates of January 1, 2002 or later.

Any questions concerning this message should be directed to the Bureau of Local District Support, upstate at (518) 474-8216 or in New York City at (212) 268-6855.