



Commonwealth of Massachusetts
Executive Office of Health and Human Services
Office of Medicaid
 600 Washington Street
 Boston, MA 02111
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MassHealth
 Eligibility Letter 196
 February 1, 2010

TO: MassHealth Staff

FROM: Terence G. Dougherty, Medicaid Director *TGD*

RE: **Annual Change to the Federal Standard Maintenance Allowance and Standard Shelter Expense**

This letter transmits revised regulations about the annual increases to the federal standard maintenance allowance from \$1,750 to \$1,822 and the standard shelter expense from \$525 to \$547.

These regulations are being issued as emergency regulations, effective July 1, 2009.

MANUAL UPKEEP

<u>Insert</u>	<u>Remove</u>	<u>Trans. By</u>
520.026 (1 of 5)	520.026 (1 of 5)	E.L. 191
520.026 (2 of 5)	520.026 (2 of 5)	E.L. 184

Trans. by E.L. 196

**MASSHEALTH
FINANCIAL ELIGIBILITY**

**Chapter 520
Page 520.026**

Rev. 07/01/09

- (1) The MassHealth agency determines the MMMNA by adding the following amounts:
 - (a) \$1,822 (the federal standard maintenance allowance); and
 - (b) an excess shelter allowance determined by calculating the difference between the standard shelter expense of \$547 and the shelter expenses for the community spouse's principal residence, including
 - (i) the actual expenses for rent, mortgage (including interest and principal), property taxes and insurance, and any required maintenance charge for a condominium or cooperative; and
 - (ii) the applicable standard deduction under the Supplemental Nutrition Assistance Program for utility expenses. If heat is included in the rent or condominium fee, this amount is \$375. If heat is not included in the rent or condominium fee, this amount is \$612.
- (2) The maximum-monthly-maintenance-needs allowance is \$2,739.00 per month, unless it has been increased as the result of a fair-hearing decision based on exceptional circumstances in accordance with 130 CMR 520.017(D).
- (3) If the institutionalized individual is subject to a court order for the support of the community spouse, the court-ordered amount of support must be used as the spousal-maintenance-needs deduction when it exceeds the spousal-maintenance-needs deduction calculated according to 130 CMR 520.026(B) or resulting from a fair hearing.

(C) Deductions for Family-Maintenance Needs.

- (1) The MassHealth agency allows a deduction from the income of a long-term-care resident to provide for the maintenance needs of the following family members if they live with the community spouse:
 - (a) a minor child — a child under age 21 of either member of the couple;
 - (b) a dependent child — a child over age 21 who is claimed as a dependent by either spouse for income-tax purposes under the Internal Revenue Code;

Trans. by E.L. 196

**MASSHEALTH
FINANCIAL ELIGIBILITY**

**Chapter 520
Page 520.026**

Rev. 07/01/09

(c) a dependent parent — a parent of either spouse who lives with the community spouse and who is claimed as a dependent by either spouse for income-tax purposes under the Internal Revenue Code; and

(d) a dependent sibling — a brother or sister of either spouse (including a half-brother or half-sister) who lives with the community spouse and who is claimed as a dependent by either spouse for income-tax purposes under the Internal Revenue Code.

(2) The deduction for family-maintenance needs is one-third of the amount by which the federal standard maintenance allowance exceeds the monthly gross income of the family member. The federal standard maintenance allowance is \$1,822.

(D) Deductions for Maintenance of a Former Home.

(1) The MassHealth agency allows a deduction for maintenance of a home when a competent medical authority certifies in writing that a single individual, with no eligible dependents in the home, is likely to return home within six months after the month of admission. This income deduction terminates at the end of the sixth month after the month of admission regardless of the prognosis to return home at that time.

(2) The amount deducted is the 100 percent federal-poverty-level income standard for one person.

(E) Deductions for Health-Care Coverage and Other Incurred Expenses.

(1) Health-Insurance Premiums or Membership Costs. The MassHealth agency allows a deduction for current health-insurance premiums or membership costs when payments are made directly to an insurer or a managed-care organization.

(2) Incurred Expenses.

(a) After the applicant is approved for MassHealth, the MassHealth agency will allow deductions for the applicant's necessary medical and remedial-care expenses. These expenses must not be payable by a third party. These expenses must be for medical or remedial-care services recognized under state law but not covered by MassHealth.

(b) These expenses must be within reasonable limits as established by the MassHealth agency. The MassHealth agency considers expenses to be within reasonable limits provided they are

(i) not covered by the MassHealth per diem rate paid to the long-term-care facility; and

(ii) certified by a treating physician or other medical provider as being medically necessary.