
INFORMATIONAL LETTER

TRANSMITTAL: 92 INF-14

TO: Commissioners of
 Social Services

DIVISION: Medical
 Assistance

DATE: February 21, 1992

SUBJECT: Revision of "Institutionalized Spouse Budget
 Worksheet", "Legally Responsible Relative (LRR)
 Income Contribution Worksheet" and Mandatory Client
 Notices (Chronic Care)

SUGGESTED

DISTRIBUTION: Medical Assistance Staff
 Fair Hearing Staff
 Legal Staff
 Staff Development Coordinators

CONTACT PERSON: MA Eligibility County Representative: 1-800-342-
 3715, extension, 3-7581
 MA New York City Representative: (212) 417-4853

ATTACHMENTS: Attachment I - Institutionalized Spouse Budget
 Worksheet (not available on-line)
 Attachment II - Legally Responsible Relative (LRR)
 Income Contribution Worksheet (not
 available on-line)
 Attachment III - Chronic Care Notices (not available
 on-line)

FILING REFERENCES

Previous ADMs/INFs	Releases Cancelled	Dept. Regs.	Soc. Serv. Law & Other Legal Ref.	Manual Ref.	Misc. Ref.
91 ADM-33		358	SSL 366-a		
91 ADM-27		360-2.5(a)	SSL 366-c		
91 ADM-13		360-2.6(c)	SSL		
90 ADM-36		360-4.3(f)	366(2)(a)		
90 ADM-35		360-4.9	366(3)		
89 ADM-47		360-4.10			
89 ADM-21					

The purpose of this release is to provide social services districts with information regarding revisions to the following forms and mandatory client notices (copies attached):

"Institutionalized Spouse Budget Worksheet"

"Legally Responsible Relatives (LRR) Income Contribution Worksheet"

DSS-4022: "Notice of Intent to Establish a Liability Toward Chronic Care"

DSS-4021: "Notice of Intent to Change the Contribution Toward Chronic Care Costs"

The "Institutionalized Spouse Budget Worksheet" is the mandated assessment form used by social services districts in cases involving an institutionalized spouse. It was designed to provide an assessment of the countable resources and income of a couple and the treatment of such resources and income in determining the Medical Assistance eligibility of the institutionalized spouse. The "Institutionalized Spouse Budget Worksheet" documents the review made by social services districts of the total countable resources of a couple, a determination of the community spouse resource allowance, community spouse monthly income allowance, and/or family member allowance(s), and the methods of computing such allowances.

Since being issued as Attachment J to 89 ADM-47: "Treatment of Income and Resources for Institutionalized Spouses/Individuals and Legally Responsible Relatives", a number of suggestions for revisions to the form's format have been recommended by districts. Based on the comments received and in light of recent policy changes regarding allowable deductions from income, the "Institutionalized Spouse Budget Worksheet" has been revised.

The "Legally Responsible Relative (LRR) Income Contribution Worksheet" (Attachment K to 89 ADM-47) used to determine/document a requested contribution in cases involving a spouse living apart from an SSI-related applicant/recipient (A/R), has been revised to mirror the revisions to the community spouse income section of the "Institutionalized Spouse Budget Worksheet". Social services districts should note that in the event that a spouse of an SSI-related A/R is in receipt of a court-ordered support payment from the A/R, a requested contribution from the LRR must not be made. Therefore, in such situations, it is unnecessary to complete the "Legally Responsible Relative (LRR) Income Contribution Worksheet".

Further, changes in the treatment of spousal income and resources have necessitated changes in the contents of certain mandatory client notices. The Department issued instructions to social services districts in 89 ADM-47 regarding the wording to be added to the "Notice of Intent to Establish a Liability Toward Chronic Care" (DSS-4022) and "Notice of Intent to Change the Contribution Toward Chronic Care Costs" (DSS-4021) until these notices are available in revised form. These two State-mandated notices have been revised.

Listed below is a summary of all the changes to these forms and notices:

I. The revision date was changed to "1/92" on the DSS-4022 and DSS-4021 and the same date was added to both worksheets.

II. "INSTITUTIONALIZED SPOUSE BUDGET WORKSHEET" (Attachment I)

A. PAGE ONE - Assessment of resources

1. Top of page - the heading was changed as follows:

BUDGET WORKSHEET - MEDICAL ASSISTANCE
INSTITUTIONALIZED SPOUSE BUDGET WORKSHEET

2. "Assessment of resources" section - now labeled "Part I"

B. PAGE TWO - Income calculations

1. Top of page - "INSTITUTIONALIZED SPOUSE BUDGET WORKSHEET (INCOME)" was added

2. "Community spouse income" section - now labeled "Part II"

a. Next to "Source of monthly income", the wording in parenthesis "Include cash assistance received" was changed due to a clarification in policy (see 90 ADM-36) and now reads "Include any court-ordered support received".

b. The blank lines under "Source of monthly income" were enlarged and three more blank lines added to provide additional space for income information.

c. Under "Deductions", the following was changed:

(1) Taxes (federal, State & city), NYS Disability, and FICA were deleted. Mandatory payroll deductions are no longer to be deducted from income in accordance with 91 ADM-27, "Federal Compliance: MA Eligibility Changes Relating to Resource and Income Exemption Standards and Household Size".

(2) Letters d, e and f were re-alphabetized a, b and c.

(3) Letter d now reads: "Other". This was added to allow for any future disregards.

Note: For purposes of determining the otherwise available income of a community spouse, the amount of any court-ordered support (paid out) is an allowable deduction.

- d. Item five now reads: "Enter the maximum minimum monthly maintenance needs allowance (MMMNA) or higher amount established by fair hearing or court order."
- e. Under item seven, "If #4 is greater than #5...", the following was changed:
 - (1) Item 7a now reads: "If community spouse receives court-ordered support from the institutionalized spouse, go to Part III. No contribution towards the cost of care is requested nor is income available to offset any family member allowance(s)."
 - (2) Item 7b was changed to "If community spouse is not in receipt of any court-ordered support, enter the family member allowance(s) (from #21), if applicable."
 - (3) Item 7c now reads: "Subtract #7b from 7, enter the difference. (If this is less than or equal to zero, enter the result in #12e as a positive amount.)"
 - (4) Item 7d (previously 7c) now reads: "If #7c is greater than zero, multiply by .25 and...."

The letters a, b and c in the "Amount" column were changed to b, c and d to correspond with the changes noted immediately above.

C. PAGE THREE - Income calculations continued

- 1. "Institutionalized spouse income" section - now on a separate page and labeled "Part III"
 - a. The blank lines under "Source of monthly income" were enlarged and three more lines were added.
 - b. Item eight, "Institutionalized spouse's total net monthly income", was changed to "Total gross monthly income".
 - c. The "Month of Institutionalization" and "Chronic Care" columns have been labeled.
 - d. A new section (item nine) for exemptions/disregards from gross monthly income was added as follows:
 - 9. Deductions:
 - a. \$20 income disregard for month of institutionalization
 - b. Health insurance premium(s)
 - c. Other_____

In the "Amount" columns, boxes lettered a-c were added for these deductions. Item 9a has "-20" pre-printed in the "Month of Institutionalization" column.

Note: Court-ordered support (paid out to community spouse) is not deducted from gross income. See item 12c for the deduction of any court-ordered support for the community spouse.

- e. Item 10 now reads: "Total deductions from gross income".
- f. Item 11 was changed to "Subtract #10 from #8. This is the net monthly income of the institutionalized spouse."
- g. The wording in Item 12 was changed to "Deductions from net monthly income:".
- h. In the "Deductions" section, items were added and instructions changed as follows:
 - (1) Item 12a was changed to "Subtract appropriate income allowance." To the right of this, "MA level" was pre-printed under "Month of Institutionalization" and "PNA/MA level" was added under the "Chronic Care" column.
 - (2) Items 12b, d, f and h, "Remaining income", were added. This allows the worker to enter a running remainder as deductions are made from the institutionalized spouse's income.
 - (3) Item 12c was changed to "Subtract community spouse monthly income allowance (#6) or the amount of court-ordered support (paid out to community spouse) whichever is higher."

In item 12c, the following wording was added:

Note: If #12b (remaining income) is less than #6 or the amount of court-ordered support, enter the amount from #12b. This is the actual amount of income available for the community spouse.

Item 12c was changed to allow for the deduction of the institutionalized spouse's income allowance (PNA/MA level) before the deduction of any court-ordered support for the community spouse.

The worker must fill in the amount of the institutionalized spouse's income that is actually available for the community spouse monthly income allowance or the court-ordered support in the blank space. If the community spouse monthly income allowance is not court-ordered, the amount is only entered if income is actually being made available to the community spouse.

- (4) In item 12e, "Subtract amount for family member allowance(s) (#7c if completed, or #21)", the following was added:

Note: If #12d (remaining income) is less than amount needed for family member allowance(s), enter the amount from #12d. This is the actual amount of income available for the family member allowance(s).

The worker must fill in the amount of the institutionalized spouse's income that is available for this allowance, regardless of whether it is actually being made available.

- (5) Item 12g now reads: "Subtract cost of medical/remedial care."

- i. Item 13 now reads: "Add amount from #7d or the amount actually contributed from the community spouse."
- j. A new item 14, "Add any restricted income" was added. The worker must fill in the amount of any restricted income (e.g. VA Aid and Attendance) that is to be applied toward the cost of care when chronic care budgeting begins.
- k. Item 15 reads: "Total amount of income available for the institutionalized spouse's cost of care (NAMI)."

2. New information

- a. The following message was added:

*MA level for one allowed for institutionalized spouse in receipt of home and community-based waived services.

- b. A new section was added to the worksheet to address the payment of health insurance premiums in certain spousal situations. The worker must indicate whether an institutionalized spouse's health insurance plan was determined to be cost effective and if so, the amount of reimbursement that will be made available to a community spouse as part of the community spouse income allowance or family member allowance, and the time frames involved.

D. PAGE FOUR - Family member allowance(s)

1. Top of page - "INSTITUTIONALIZED SPOUSE BUDGET WORKSHEET (INCOME)" was added
2. "Family member allowance(s)" section - now labeled "Part IV-Family member income"
 - a. Next to "Source of income", the wording in parenthesis, "Include cash assistance" was deleted.
 - b. The item numbers throughout this page were renumbered #16-20, and #21 is now the total family member allowance(s). The total family member allowance (#21) is no longer rounded down to the nearest dollar.
 - c. Item 20, the family member allowance for an individual family member, was changed to "...enter the result rounded up to the nearest dollar." This was changed as a result of a policy clarification contained in 91 ADM-33, "Spousal Impoverishment: Family Member Allowance Increase and Community Spouse Entitlement to Monthly Income Allowance".
 - d. In item 17, under "Deductions", Taxes (federal, State & city), NYS Disability and FICA were deleted. The remaining deductions "Health Insurance..." were re-alphabetized "a", "b" and "c". Letter d now reads: "Other".

Note: In determining the otherwise available income of a family member, the amount of any court-ordered support (paid out) is an allowable deduction from income.

III. "LEGALLY RESPONSIBLE RELATIVE (LRR) INCOME CONTRIBUTION WORKSHEET"
(Attachment II)

- A. HEADING - The following was added to the title of this worksheet:

BUDGET WORKSHEET - MEDICAL ASSISTANCE

B. "LEGALLY RESPONSIBLE RELATIVE INCOME" SECTION

1. A new note, "This worksheet is not to be completed if the spouse receives court-ordered support from the SSI-related A/R" was added.
2. Next to "Source of income", "Include cash assistance received" was deleted.

3. Item two, "Deductions" - Taxes (federal, State & city), NYS Disability and FICA were deleted. The remaining deductions "Health Insurance..." were re-alphabetized "a", "b" and "c". Letter d now reads: "Other".

Note: Court-ordered support (paid out) is an allowable deduction for LRRs of SSI-related A/Rs when calculating the LRR's requested contribution.

C. PAGE TWO - "Family member allowance(s)"

1. Top of page - "LRR BUDGET WORKSHEET" was added.
2. Item nine, "Deductions" - Taxes (federal, State & city), NYS Disability and FICA were deleted. Remaining deductions were re-alphabetized "a", "b" and "c". Letter d now reads: "Other".
3. Item 12, the family member allowance for an individual family member, was changed to "...enter the result rounded up to the nearest dollar."
4. Item 13, the total family member allowance(s), is no longer rounded down to the nearest dollar.

IV. DSS-4022: "Notice of Intent to Establish a Liability Toward Chronic Care" (Attachment III.a.)

A. INCOME CALCULATION SECTION

1. The three time periods explaining the required contribution towards institutional costs were changed to two periods due to the new definition of when chronic care budgeting begins.
2. Under "Deductions":
 - a. A new line "Net Monthly Income" was added.
 - b. "Income Standard/Personal Incidental Allowance" was changed to "Income Allowance (MA Level)" in the left column for community budgeting and "Income Allowance (Personal Needs Allowance/MA Level)" for the chronic care time period (right column).
 - c. The "Contribution to Community Spouse" line was added. The worker must fill in, if appropriate, the community spouse monthly income allowance.
 - d. A line, "Family Member Allowance(s), or Dependent Household Member(s)", was added and a blank line provided for the deduction amount. For cases involving a single institutionalized person where income is needed to bring former family household member(s) up to

the MA level or Public Assistance Standard of Need, the worker should show the amount in the blank line provided.

- e. A new line, "Cost of Medical/Remedial Care" was added and a blank line provided.
- f. "Remaining Available Monthly Income" - This was added and a blank line provided.
- g. "Contribution from Spouse" - This was added to include any income contribution from a community spouse toward the cost of care. A blank line was provided.
- h. After the "Contribution from Spouse" line for the chronic care time period (right column), a new line "Restricted Income" was added. VA Aid and Attendance or any other payments that must be applied toward the cost of care should be entered on this line.
- i. "Contribution per mo." was changed to "Total Income Contribution per Mo."

B. RESOURCE SECTION

- 1. One column (time period) for calculating resources was deleted.
- 2. Under the "Excess Resources" line, a new line, "Medical Bills used to Reduce Excess Resources" was added. The worker should enter the total amount of viable or paid medical bills used to offset excess resources.
- 3. "Remaining Excess Resources" and a line for an amount was added.
- 4. The first sentence under the resource calculation section was revised to read: "In addition to any income contribution(s) the remaining \$_____ of excess resources must be contributed toward the cost of care during the period _____ to _____."

IV. DSS-4021: "Notice of Intent to Change the Contribution Toward Chronic Care Costs" (Attachment III.b.)

A. TOP OF PAGE

The first sentence under the heading section was revised to read: "This notice...for the individual named above as follows:".

B. CALCULATIONS SECTION

1. Under the opening sentence, a new section was added to show an income calculation change and/or change in resources:

a. Previous Calculation

From: _____ To: _____

Gross Monthly Income	\$ _____
Deductions	- _____
Net Monthly Income	\$ _____
Income Allowance (Personal Needs Allowance/MA Level)	- _____
Contribution to Community Spouse	- _____
Family Member Allowance(s), or Dependent Household Member(s)	- _____
Cost of Medical/Remedial Care	- _____
Remaining Available Monthly Income	= _____
Contribution from Spouse	+ _____
Restricted Income	+ _____
Total Income Contribution per Mo.	\$ _____

- b. New Calculation - Includes the same listings as appear above except that under the "Total Income Contribution" line, "Payable to:" and a blank line was added.

- c. Under the income calculations section, the following sentences were added to highlight a change in the contribution to community spouse and/or family member allowance(s). "Note: The Community Spouse Income Allowance has changed from \$_____ to \$_____, effective _____. The Family Member Allowance(s) has changed from \$_____ to \$_____, effective _____."

- d. New wording was added to address resources:

Resources:
Countable Resources \$ _____
Medical Assistance Level - _____
Excess Resources = _____

2. Under the calculations section, the following was added:
"Based on these calculations the monthly income contribution required towards the cost of care will:"

C. ACTIONS SECTION

1. In the actions section the following was changed:
 - a. The wording following the "INCREASE" box was changed to "from \$_____to \$_____."
 - b. The wording next to the "REDUCE" box now reads: "DECREASE from \$_____to \$_____."
 - c. Under the "DECREASE" box, a new box was added: "NOT CHANGE. Your contribution will continue to be \$_____."
2. The following sentence was added: "In addition to any income contribution, \$_____ of excess resources must be contributed toward the cost of care from _____ to _____ ."
3. "This change is being made..." was changed to "This change is effective _____ and is being made as a result of:".

Your district will automatically receive a supply of the revised mandatory client notices based on past ordering practices or an estimate of a three month supply. You may continue to use the previous (2/89) versions, making pen and ink changes as instructed in 89 ADM-47 and 90 ADM-35 for cases involving an institutionalized spouse, until the updated versions are received.

In order to ensure that usage of the revised worksheets begins immediately, districts are instructed to reproduce the "Institutionalized Spouse Budget Worksheet" and "Legally Responsible Relative (LRR) Income Contribution Worksheet" locally until these forms are available. Your district will not automatically receive copies of the worksheets.

Requests for additional supplies of the client notices and/or copies of worksheets, when available, must be submitted on Form - 47 (Rev. 3/81): "WMS Order Form", and should be sent to:

New York State Department of Social Services
Welfare Management System
P.O. Box 1990
Albany, New York 12201
Attention: Office of Forms and Publications

Jo-Ann A. Costantino
Deputy Commissioner
Division of Medical Assistance