

THE COMMUNITY SPOUSE INCOME ALLOWANCE

A. Rules for Community Spouse Income Allowance

1. CUSP must be legal spouse at point CPI begins.
 - a. CUSP not required to have been living with a/r.
 - b. If separated more than 12 months, do not protect unless there is formal or informal agreement for spousal support and support is paid.
2. Do not protect income if:
 - a. A/R sanctioned for transfer of assets; **OR**
 - b. Both are institutionalized.

B. Maximum Amount of A/R's Income Available for Protection for CUSP

Show A/R's total gross income in Step II of LTC budget _____

SUBTRACT:

1. The \$30 personal needs allowance - 30
2. **Mandatory** deductions (**verify w/employer**) - _____
3. The A&A portion of the VA payment - _____

MAXIMUM AVAILABLE FOR CUSP PROTECTION _____
(NOW GO TO C)

C. Basic Spousal Allowance

1. Enter CUSP's **verified** gross monthly income here _____
(no deductions; include SSI, Special Assistance and Work First prorated to # in (case.)

NOTE: IF CUSP'S GROSS INCOME **EXCEEDS OR EQUALS \$1,822**
STOP. GO TO D. TO CONSIDER EXCESS SHELTER COSTS.

2. If CUSP's gross is less than \$1,822 enter CUSP's gross income here, _____
and subtract from \$1,822. **NEEDS** _____
3. If **needs** amount **equals or exceeds maximum available for CUSP protection** in B above, **STOP HERE** and deem Maximum amount Available for Protection to CUSP. Do not consider shelter costs. **DEEM** _____
4. If **needs** amount is **less than maximum available**, go to D. to consider shelter costs unless CUSP states that shelter expenses are less than or equal to \$547 per month. If shelter expenses are less than \$547 per month, deem the amount listed above in C.2. and C.3. to the CUSP.

D. Procedures: Excess Shelter Costs

1. When CUSP states shelter expenses are more than \$547, total the following costs (converted to monthly figures if necessary). At application, accept c/s of expenses, but at review, must have at least a written statement of expenses from a/r, rep or spouse

- a. Rent/mortgage _____
- b. Property taxes (if not included in mortgage payment) _____
- c. Insurance (if not included in mortgage payment) _____
- d. Required maintenance charges _____
- e. Standard Utility Allowance (see below) _____
 (Note: Do not use if in Public Housing and no excess shelter charge)

Household Size (effective 11/1/10) Standard Allowance

1	\$277
2	\$305
3-4	\$336
5 or more	\$366

2. List **Total shelter costs here** _____

- a. If total costs are less than or equal to \$547, do not allow excess shelter. **DEEM** needs amount from C.2.
- b. If total costs are more than \$547, subtract \$547 to get excess. - 547
- c. Result is **allowable excess shelter cost**. = _____

3. Adjusted Needs Calculation

- a. Add excess shelter (from D.2.c.) to \$1,822 to determine total needs. **TOTAL NEEDS** + 1,822
- b. If **TOTAL NEEDS** are less than \$2,739, subtract **CUSP's gross income** from **TOTAL NEEDS** above. - _____
- c. **DEEM** this amount from a/r's income for needs of **CUSP**. = _____
- d. If **TOTAL NEEDS** are equal to or exceed \$2,739, subtract **CUSP's gross income** from \$2,739. - 2,739
- e. **DEEM** this amount from a/r's income for needs of **CUSP**. = _____

NOTE: The amount of income deemed to the CUSP from a/r is countable income for the CUSP who is a Medicaid applicant or recipient. Verify that the amount deemed to the CUSP is actually given to the CUSP.