



# Iowa Department of Human Services

Terry E. Branstad  
Governor

Kim Reynolds  
Lt. Governor

Charles M. Palmer  
Director

March 4, 2016

## GENERAL LETTER NO. 8-I-74

ISSUED BY: Bureau of Financial, Health and Work Supports  
Division of Adult, Children and Family Services

SUBJECT: Employees' Manual, Title 8, Chapter I, **MEDICAL INSTITUTIONS**,  
pages 41 and 42, revised.

### Summary

Chapter 8-I is revised to update the 150 percent of the monthly federal poverty level for a family of 2 and revise the examples. This amount is used to determine the maintenance needs of the other dependents living with the community spouse.

### Effective Date

March 1, 2016

### Material Superseded

This material replaces the following pages from Employees' Manual, Title 8, Chapter I:

<u>Page</u>	<u>Date</u>
41, 42	May 1, 2015

### Additional Information

Refer questions about this general letter to your area income maintenance administrator.

5. Mrs. E is a community spouse with \$500 gross monthly income. She is estranged from Mr. E and has obtained a court order for \$3,000 per month in support. The court-ordered amount is substituted for the \$2,980.50 maintenance needs. The diversion of income is determined as follows:

Mr. E:		Mrs. E:	
\$1,100.00	Gross income	\$ 3,000.00	Maintenance
- <u>50.00</u>	Personal needs	- <u>500.00</u>	Income
\$1,050.00	To divert	\$ 2,500.00	Deficit

Mr. E can divert only \$1,050 because his income supports only this amount.

**Allowance for Other Dependents**

**Legal reference:** 441 IAC 75.16(2) "d" and "e"

Determine the maintenance needs of the other dependents by subtracting **each** person's gross income from 150% of the monthly federal poverty level for a family of two (currently \$2,003 per month), and dividing the result by three. Include SSI and FIP benefits as income.

The dependent's diversion does not need to be for the benefit of the dependent. That is a requirement for the community spouse diversion only.

1. Mr. T receives Medicaid payment for nursing care. His wife and mother live at home. Diversion for Mr. T's dependents is determined as follows:

Mr. T:		Mrs. T:	
\$2,150.00	Gross income	\$2,980.50	Maintenance needs
- <u>50.00</u>	Personal needs	- <u>970.00</u>	Income
\$2,100.00	Available to divert	\$2,010.50	Deficit

Mr. T's mother:  
 \$2,003.00 Poverty level  
 - 398.00 Income  
 \$1,605.00 Divided by 3 = \$535 maintenance for dependent

The total need of the spouse and dependent is \$2,010.50 + \$535.00 or \$2,545.50. Mr. T does not have enough income to meet all of his mother's needs. Mr. T's client participation is determined as follows:

\$2,150.00 Gross income  
 - 50.00 Personal needs allowance  
 - 2,010.50 Diversion for spousal deficit  
 - 89.50 Diversion for mother's needs (\$2,100.00 - \$2,010.50)  
 \$ 0.00

2. Mrs. W lives in a nursing facility and is Medicaid-eligible. Mr. W lives at home with two children who do not receive FIP. Mr. W has earned income. Mrs. W has workers' compensation. The children have no income.

Mrs. W:  
 \$ 575.00 Gross income  
 - 50.00 Personal needs allowance  
 \$ 525.00 Income available to divert to spouse and dependents

The spousal and dependent allowances are determined as follows:

Mr. W:		Children:	
\$2,980.50	Maintenance	\$2,003.00	Poverty level
- <u>3,000.00</u>	Gross income	- <u>0.00</u>	Income
\$ 0.00	Unmet needs	\$2,003.00	Divided by 3 =
			\$667.67 per child
			\$667.67 x 2 children = \$1,335.34

All of Mrs. W's income after deduction of her personal needs is diverted for the children. Mrs. W's client participation is determined as follows:

\$ 575.00 Gross income  
 - 50.00 Personal needs  
 - 525.00 Diversion for dependents' needs (\$575 - 50 = \$525)  
 \$ .00 Amount of client participation