Iowa Department of Human Services

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GENERAL LETTER NO. 6-B-37

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

SUBJECT: Employees' Manual, Title 6, Chapter B, ***STATE SUPPLEMENTARY ASSISTANCE***, pages 4, 18, 20 through 27, 30, 32, 35, 36, 38, 39, 40, 44, 45, 46, 50 through 54, 57, 58, 60, 64, 67, 68, and 71 through 78, revised.

Summary

This chapter is revised to reflect the 2015 Social Security cost of living adjustment (COLA) of 1.7%, which has resulted in the following State Supplementary Assistance increases:

- The income limit and payment standard for a dependent relative is $377 per month.
- The income limits for dependent relative eligibility are:
  - $1,110 for an eligible individual.
  - $1,477 for an eligible couple.
  - The deduction for an ineligible child is $367.
- The family-life home income limit is $895.
- The maximum family-life home payment is $794.
- The maximum residential care per diem rate is $30.05.
- The personal needs allowance for residential care facility and family-life home is $101.
- The blind supplement remains at $22, but the income limits are increased due to the increased SSI payments:
  - $755 for an individual.
  - $1,122 for a couple, one of whom is blind.
  - $1,144 for a couple, both of whom are blind.
- The home maintenance allowance for in-home health-related care has increased to the new SSI standard amounts:
  - $733 for an individual.
  - $1,100 for a couple.

Effective Date

January 1, 2015

Material Superseded

This material replaces the following pages from Employees' Manual, Title 6, Chapter B:

Page	Date
4	August 24, 2012
18	January 4, 2013
20, 21	August 24, 2012
22-27, 30	January 4, 2013
32	August 24, 2012
35, 36	January 4, 2013
38-40	August 24, 2012
44-46, 50-53	January 4, 2013
54	August 24, 2012
57, 58	January 4, 2013
60	August 24, 2012
64, 67, 68, 71-78	January 4, 2013

Additional Information

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

A person who pays rent in a building that is not tax-exempt can receive reimbursement for the property tax portion of the rent. (This includes paying a residential care facility.) See 8-A, Rent Reimbursement.

Issue Comm. 121 or Comm. 121(S), *Important Notice to Property Owners and Renters*, to SSA applicants to explain these programs.

Application Processing

Legal reference: 441 IAC 50.2(24) and 50.2(3)

Each person who wants to apply for SSA must have the opportunity to apply without delay. Send a copy of the application form in the next outgoing mail when an applicant requests that the form be mailed.

Give a copy of form 470-2927 or 470-2927(S), *Health Services Application*, or form 470-5170 or 470-5170(S), *Application for Health Coverage and Help Paying Costs*, to the applicant who wants to apply for residential care, in-home health-related care, family-life home, or dependent person assistance.

Form 470-5170 or 470-5170(S), *Application for Health Coverage and Help Paying Costs*, used to apply for Medicaid is also considered an application for the Supplement for Medicare and Medicaid Eligibles.

The applicant or someone acting responsibly for the applicant may complete the form in the Department office or take it home. The person can then return it to the office either in person, by mail, or by fax.

Other people may help the client during the application process and may accompany or represent the client in contacts with the Department. When the client has a guardian or conservator, the guardian or conservator must participate in the process.

A faxed application shall be considered as an original application.

Blind Supplement

Legal reference: 441 IAC 52.1(4) and 50.2(1)"a"

An SSA blind supplement is available to any person who:

- Meets the SSI program's definition of blindness, and
- Is either receiving SSI or meets all SSI eligibility requirements but is over income.

The maximum income levels are:

- $755 for an individual ($733 + $22)
- $1,122 for an eligible couple, one of whom is blind ($1,100 + $22)
- $1,144 for an eligible couple, both of whom are blind ($1,100 + $22 + $22)

The Social Security Administration is responsible for determining eligibility and issuing supplement payments.

A blind supplement is considered as a state-funded assistance payment that is based on the need of the recipient and thus is excluded income for purposes of determining eligibility for SSI-related Medicaid and client participation.

The blind supplement is also excluded income when determining eligibility for other SSA programs the person may be receiving simultaneously. For example, the blind supplement is not countable income to determine client participation or eligibility for the RCF supplement. See 8-E, TYPES OF SSI-RELATED INCOME: Assistance Payments.

Dependent Person Supplement

Legal reference: Iowa Code Section 249.3(3)

The intent of the dependent person program is to supplement the income of persons who have a special financial need because they have a dependent living with them. Dependent person payments are made to aged, blind, or disabled persons whose income is too low to meet the needs of a dependent relative living with them.

Apply SSI policies in 8-C, *NONFINANCIAL ELIGIBILITY*; 8-D, *RESOURCES*; and 8-E, *INCOME*, to determine eligibility. Review Policies Applicable to All State Supplementary Assistance before determining eligibility for a dependent person supplement. Additional criteria that must be met are discussed in this section.

Responsibilities of the Social Security Administration for the dependent person supplement include:

- Notifying recipients of SSA eligibility and making supplement payments.
- Completing the applicable section of form 470-0640, *State Supplementary Assistance Certification or Termination*, to initiate or terminate payments.
- Making referrals to the Department for the dependent person supplement.
- Processing payment recoveries.

Application Processing (DP)

Legal reference: 441 IAC 50.2(2) and (3)

Anyone who wants to apply for a dependent person supplement must file form 470-2927 or 470-2927(S), *Health Services Application*, or form 470-5170 or 470-5170(S), *Application for Health Coverage and Help Paying Costs*, with the local Department office.

An applicant who is already receiving SSI is not required to file a new SSI application. An applicant who is not already receiving SSI must also file an application with the Social Security Administration, even if the applicant's income is above SSI standards.

If possible, the applicant should go to the Social Security Administration during the month of application for the dependent person supplement; otherwise payment is delayed. The SSA payment starts no earlier than the month following the month in which the applicant files for SSI.

When you receive an application:

1. Determine eligibility for the dependent person supplement.
   - Verify that the applicant meets the standards of residency and shared living arrangement. See Nonfinancial Eligibility (DP).
   - Check that the resources of the household are within limits. See Resources.
   - Evaluate household income. See Income (DP).

2. If the applicant is ineligible, issue a notice of decision denying the application for the dependent person supplement and, if applicable, Medicaid.

   If the applicant is eligible, notify the Social Security Administration using form 470-0640, *State Supplementary Assistance Certification or Termination*.

3. When you receive form 470-0640 back from the Social Security Administration, determine Medicaid eligibility, including retroactive eligibility.

4. Enter the information into the ABC system and, if necessary, issue a notice of decision on Medicaid coverage for the applicant. The dependent person must receive Medicaid under another coverage group.

Do **not** issue a notice of decision approving the dependent person supplement. The Social Security Administration notifies the applicant when the dependent person supplement is approved and the amount of the payment.

Effective Date of Approval (DP)

If the SSA applicant is already an SSI recipient, the effective date of SSA payment is the later of:

- The month that eligibility is first attained.
- The month of application.

> Mr. A, an SSI recipient, applies for a dependent person payment on May 15. The IM worker determines that Mr. A meets all eligibility criteria as of May.
>
> The worker sends form 470-0640, *State Supplementary Assistance Certification or Termination*, to the Social Security Administration certifying that Mr. A meets eligibility criteria as of May 1. The Social Security Administration begins payment effective May 1.

If the SSA applicant is not an SSI recipient, the effective date of payment is the latest of the following:

- The month that eligibility is first attained.
- The month of application.
- The month of SSI approval. This will be no earlier than the month following the month of the SSI application. See 8-B, Effective Date for SSI Recipients.

Use form 470-0640, *State Supplementary Assistance Certification or Termination*, to notify the Social Security Administration of the first month in which the applicant meets all eligibility criteria. The Social Security Administration will determine the correct effective date of payment based on the SSI application date.

> Mr. B, who is not an SSI recipient, applies for a dependent person payment on April 15. His worker instructs him to apply for SSI as soon as possible. He applies for SSI on April 25. The IM worker determines that Mr. B meets all eligibility criteria as of April.
>
> The worker sends form 470-0640 to the Social Security Administration certifying that Mr. B meets eligibility criteria as of April 1. The Social Security Administration begins payment effective May 1 (the month following the month of application and eligibility).

Nonfinancial Eligibility (DP)

Legal reference: 441 IAC 51.4(4); Iowa Code Section 249.3, subsection c

A dependent relative of the aged, blind, or disabled person (the recipient) may be:

- The person's ineligible spouse (a spouse who is not eligible for SSI);
- The person's parent (of either an adult or a minor child); or
- The person's child (whether a minor or an adult).

To be eligible for a dependent person supplement, the dependent relative must:

- Be financially dependent on the recipient.
- Live with the recipient. The dependent relative is no longer eligible if the relative is out of the recipient's home for a full calendar month. Remove the dependent prospectively when the absence is expected to last at least one full calendar month.

The following persons are **not** considered financially dependent on the recipient:

- A person who is eligible for SSI.
- A person who is eligible to receive FIP.
- A person who is living with a spouse (other than the recipient).
- A person whose countable income is more than $377 per month. See Income (DP) to calculate a dependent's countable income.

Mrs. A, a disabled client, lives with her daughter and son-in-law. Because she is living with her spouse, Mrs. A's daughter is not considered financially dependent on Mrs. A and is not eligible as a dependent person.

An "eligible child" is a blind or disabled child who is neither married nor the head of a household and is under the age of 18, or is under age 22 and is regularly attending school. If the recipient is an eligible child, the child's parent may be added as a dependent if:

- The parent is ineligible for FIP and SSI;
- The parent is not living with a spouse; and
- The parent has income less than $377 after diversions to ineligible children, exclusions, and deductions. See Parent of an Eligible Child.

If the recipient is an adult, the recipient's parent may be added as a dependent if the parent:

- Is ineligible for FIP and SSI;
- Is not living with a spouse; and
- Has income less than $377 after diversions, exclusions, and deductions.

A recipient can receive a dependent person supplement for only one dependent. If there is more than one dependent, the recipient must decide which of the dependents to include.

Mr. D receives $845 gross monthly social security disability benefits. His wife and baby each receive $90 social security benefits. The family is ineligible for FIP. Either Mr. D's wife or baby could qualify as a dependent person. It is Mr. D's choice who to include.

A husband and wife who are both receiving SSI are eligible to receive SSA for only one dependent, not one dependent for each of them.

Mr. and Mrs. P are over 65. Their adult children are living with them and are not disabled. Only one child can be a dependent for SSA purposes.

Income (DP)

Legal reference: 20 CFR 416.1112(b) and Appendix, 416.1165, 416.1167; 441 IAC 50.2(1), 51.4(1), 52.1(2)

Use SSI policy when determining countable income. Refer to 8-E, TYPES OF SSI-RELATED INCOME, for how to treat various types of income.

When a client is an SSI recipient, it is not necessary to verify the client's income. Rely on the countable income as determined by the Social Security Administration and reported on the SDX. The fields to use on the SDX are:

- Gross earned income
- Gross unearned income
- SSI payment
- Deemed income
- Plan for self support disregard
- Blind work expense disregard
- Net self-employment

In order for a client to be eligible for a dependent person supplement:

- The dependent must have countable income of less than $377 per month, and
- The total countable monthly income of the recipient, the spouse, and the dependent relative must be less than the applicable assistance standard established by the Department:

If the family group includes:	The income limit is:
Aged or disabled client and a dependent relative	$1,110
Aged or disabled client, spouse who is age 65 or older or disabled, and a dependent relative	$1,477
Blind client and a dependent relative	$1,132
Blind client, aged or disabled spouse, and a dependent relative	$1,499
Blind client, blind spouse, and a dependent relative	$1,521

If SSI is deeming income from the client's spouse, the spouse is not eligible as a dependent person because the spouse's income exceeds $377. Also, if SSI is deeming income from a parent to an eligible child, the parent is not eligible.

> Mr. A has four children, one of whom receives SSI. SSI is deeming $12 of Mr. A's income to the SSI-eligible child. Mr. A is ineligible for dependent person status.

Deductions

Legal reference: 441 IAC 51.4(1)

When determining income eligibility for the dependent person supplement, apply the following deductions in the order listed:

1. Deduct the first $20 of earned or unearned income. **EXCEPTION:** Do not apply the $20 disregard to income that is based on need, such as income paid by a federal agency (including veteran's pension) or a charitable organization.

   Apply only one $20 deduction to any dependent-person group. Apply the deduction in the way that is the most advantageous to the client:

   - If there is earned income only, apply the deduction to the earnings of the dependent first. Apply any remaining amount of the deduction to the earnings of the eligible person.
   - If there is unearned income only, apply the deduction to the combined income of the eligible person and dependent.
   - If there is both earned and unearned income, apply the deduction first to the unearned income. Apply any remaining amount of the deduction to the earned income of the eligible person.

2. Deduct $65 per month of the **recipient's** remaining earned income to cover work expenses, plus one-half of the remaining balance.

   Deduct $65 per month of the **dependent's** earned income, but do **not** apply the deduction of one-half of the balance.

Parent of an Eligible Child

Legal reference: 441 IAC 51.4(1) and 52.1(2)

To determine a parent's countable income for dependent person status:

1. Determine the total monthly income of the parent according to SSI policy. See 8-E, Deeming SSI-Related Income.

2. Subtract the $20 deduction (first from unearned income, and any remainder from earned income).

3. For each ineligible child, subtract an additional $367 minus any income of the child. Make this deduction from unearned income first.

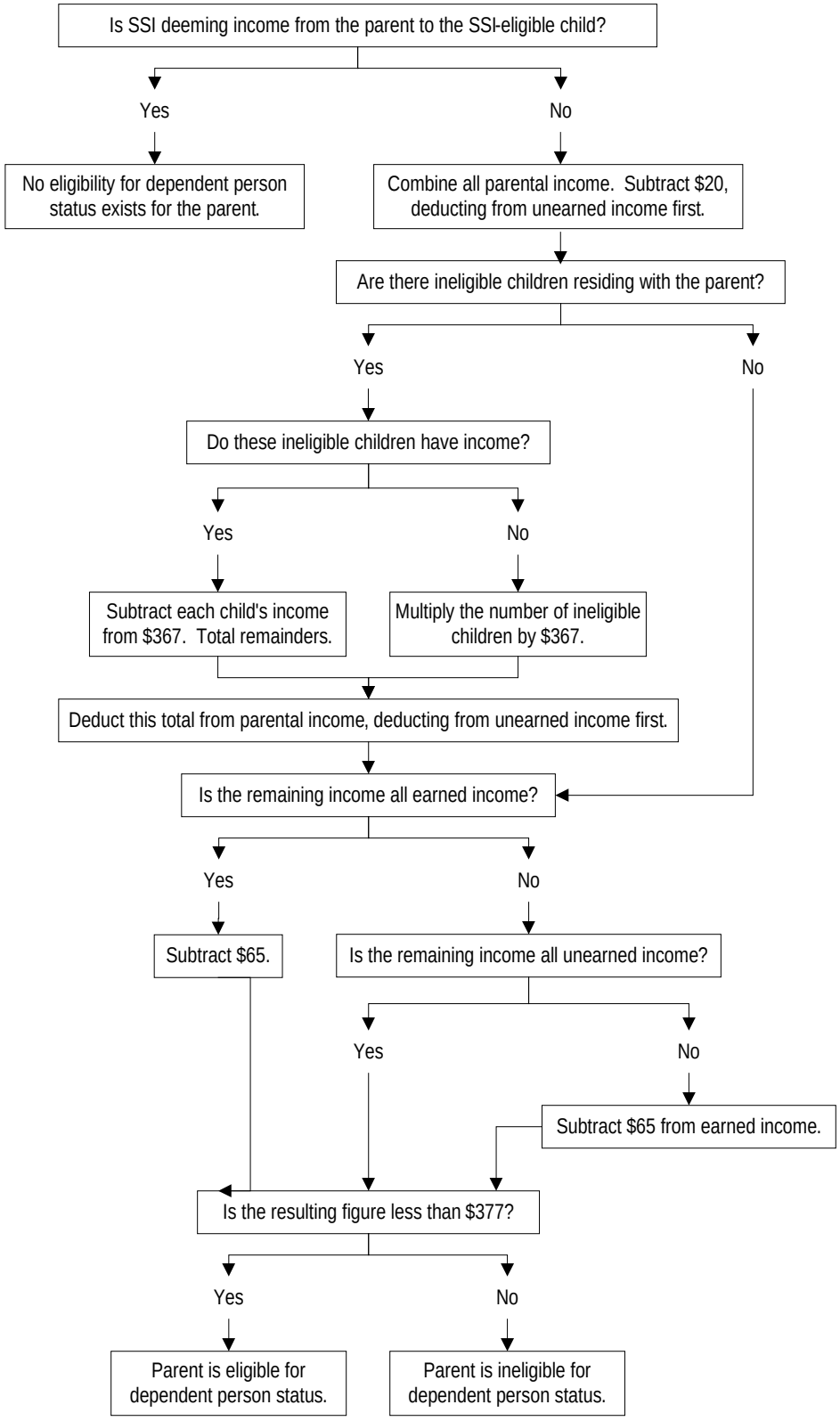
4. Subtract $65 from any remaining earned income. (Do not subtract one-half earned income disregard.)

5. If the balance is less than $377, the parent is income-eligible as a dependent person.

Mrs. C has three children, one of whom receives SSI. Mrs. C receives $800 unemployment each month. Each child receives $50 child support.

$ 800	Mrs. C's income
- 20	General income exclusion
$ 780	
- 634	Diversion for ineligible children ($367 - 50 = $317 x 2 = $634)
$ 146	

Since $146 countable income is less than $377, Mrs. C can be added as a dependent person of the child who receives SSI.


Is SSI deeming income from the parent to the SSI-eligible child?
Yes
No
No eligibility for dependent person status exists for the parent.
Combine all parental income. Subtract $20, deducting from unearned income first.
Are there ineligible children residing with the parent?
Yes
No
Do these ineligible children have income?
Yes
No
Subtract each child's income from $367. Total remainders.
Multiply the number of ineligible children by $367.
Deduct this total from parental income, deducting from unearned income first.
Is the remaining income all earned income?
Yes
No
Subtract $65.
Is the remaining income all unearned income?
Yes
No
Subtract $65 from earned income.
Is the resulting figure less than $377?
Yes
No
Parent is eligible for dependent person status.
Parent is ineligible for dependent person status.

Family-Life Home Supplement

Legal reference: Iowa Code Section 249.3(2)"a"(1)

A "family-life home" is a private household offering a protective social living arrangement for one or two adult clients who are unable or unwilling to adequately maintain themselves in an independent living arrangement, but are physically capable of caring for themselves.

In such a living arrangement, the family provides the client's room, board, and laundry services. The family also encourages the client to share in the interests and activities of the household and to participate in the social, cultural, educational, religious, and other activities of the community.

For the family-life home (FLH) supplement, an eligible person's income is supplemented with a family-life home payment so that the person's total income (including the family-life home payment) equals $895. Once the person's income is brought up to $895, the person then pays the family-life home $794 and retains $101 for personal needs expenses.

Apply SSI policies in 8-C, *NONFINANCIAL ELIGIBILITY*, 8-D, *RESOURCES*, and 8-E, *INCOME*, to determine eligibility. Review Policies Applicable to All State Supplementary Assistance before determining eligibility for a family-life home payment. Additional criteria that must be met are discussed in this section.

The recipients of family-life home payments may be eligible for Medicaid, including retroactive Medicaid. See 8-F, SSA Recipients and Dependent Relatives, and 8-B, Determining Eligibility for the Retroactive Period.

Administration (FLH)

Legal reference: 20 CFR 416.2015 and 416.2020; 441 IAC 50.2(249)

The Department and the Social Security Administration jointly administer the family-life home supplement. The Department determines eligibility for the supplement. The Social Security Administration determines the amount of the supplement and makes the payment.

Responsibilities of the Social Security Administration include:

- Notifying clients of SSA eligibility and making payments.
- Completing the applicable section of form 470-0640, *State Supplementary Assistance Certification or Termination*, to initiate or terminate payments.
- Completing reviews and redeterminations.
- Processing recoveries for the portion of the family-life home supplement issued by the Social Security Administration.

Application Processing (FLH)

Legal reference: 441 IAC 50.2(3)

Persons who are not SSI recipients and who want to apply for a family-life home supplement must complete form 470-2927 or 470-2927(S), *Health Services Application*, or form 470-5170 or 470-5170(S), *Application for Health Coverage and Help Paying Costs*, with the local Department office.

An applicant who is already receiving SSI is not required to file a new application.

An applicant who is **not** receiving SSI must also file an SSI application with the Social Security Administration district office, even if the person's income is above SSI standards.

If possible, the applicant should go to the Social Security Administration during the month of application for the family-life home payment; otherwise payment is delayed. The SSA payment starts no earlier than the month following the month in which the applicant files for SSI.

When you receive an application:

1. Determine financial eligibility. For persons who are receiving SSI, rely on the Social Security Administration determination. If the person is not financially eligible, issue an NOD denying family-life home payment.

2. If the applicant is financially eligible, complete the sections of form 470-0640, *State Supplementary Assistance Certification or Termination*, according to the instructions in 6-Appendix, and send the form to the designated service worker.

Income (FLH)

Legal reference: 441 IAC 52.1(1) and 50.2(1)

Determine countable income according to SSI policies. (See 8-E, *INCOME*.)
EXCEPTION: Do not allow the $20 income disregard.

The countable income of the person must not be more than the standard allowance established by the Department to cover family-life home care, which is $895. If the applicant has enough countable income to cover these needs, the applicant is not eligible for a family-life home payment.

Making the Family-Life Home Payment

Legal reference: 441 IAC 50.2(1) and 52.1(1)

The Social Security Administration determines the amount of the family-life home supplement and makes the payments to recipient.

The maximum family-life home supplement a recipient may receive is $162 ($895 - $733 SSI standard). However, the Department has instructed the Social Security Administration to make a maximum payment of only $142.

This is because the Social Security Administration uses SSI policy to calculate countable income and applies the $20 disregard, even though it is not allowed under the family-life home program.

With a maximum payment of $142, the recipient's total income, including the family-life home payment, will correctly equal $895 when the Social Security Administration allows the $20 disregard for recipients who have unearned income other than SSI.

For a recipient who has only SSI and no other income (and hence no $20 to disregard), an additional $20 payment is necessary so that the total income is equal to the standard allowance.

Determine the amount owed to the recipient and generate the payment through the ABC system. See 14-B(9), STATE SUPPLEMENTARY ASSISTANCE CASE ACTIONS: Approving an Application: Automated: Family-Life Home.

All payments are issued to the recipient or the recipient's financial representative. The recipient keeps $101 for personal needs and pays the certified family-life home $794. The recipient is responsible for paying the family-life home.

The Social Security Administration:

- Notifies the recipient when a family-life home supplement is approved for payment;
- Informs the Department local office of the approval by returning form 470-0640, *State Supplementary Assistance Certification or Termination*; and
- Notifies the recipient whenever the family-life home supplement is changed or terminated.

Notify the recipient of the amount of payment to the family and the personal needs allowance by using form 470-0490, *Notice of Decision: Medical Assistance or State Supplemental Assistance*.

Case Maintenance (FLH)

Legal reference: 441 IAC 50.4(2)

The service worker reviews the continuing need for family-life home placement on a semiannual basis. The Social Security Administration annually reviews the financial eligibility of a recipient living in a family-life home.

Whenever there is a change reported, the IM worker, the service worker, and the Social Security Administration must be notified because all three work together to determine eligibility. Use form 470-0640, *State Supplementary Assistance Certification or Termination*, a memo, or a verbal contact to communicate with the service worker.

- That penalties as described on forms 470-2927 and 470-2927(S), *Health Services Application*, may be applied for giving false, misleading, or incomplete information, not reporting changes in circumstances, or accepting assistance for which the person is not eligible.
- The $20 SSA payment administered by the Department will come the month after service is provided, will be paid to the client, and must be paid to the provider.

♦ Provide informational program pamphlets. Give the following pamphlets to all applicants, recipients, or anyone asking about the program:

- Comm. 18, *State Supplementary Assistance*
- Comm. 20 or Comm. 20(S), *Your Guide to Medicaid*
- Comm. 121 or Comm. 121(S), *Important Information for Property Owners and Renters*

♦ Referring potential recipients of blind allowance to the Social Security Administration for an eligibility determination and payment.

♦ Notifying the Social Security Administration of any changes in the circumstances of a recipient that may affect SSI eligibility using form 470-0641, *Report of Change in Circumstances--SSI-Related Programs*.

♦ Making and documenting eligibility decisions and certifying eligibility.

♦ Issuing timely and adequate notice to a recipient when an adverse action is taken. If issuing notice manually, use form 470-0490, *Notice of Decision: Medical Assistance or State Supplementary Assistance*.

Responsibilities of the service worker include:

♦ Determining if service criteria are met.
♦ Establishing the cost of the home health care the recipient will require.

Communicating With the Service Worker

Communicate with the service worker regularly while eligibility is being determined and every time something changes in the recipient's situation.

Examples of situations in which you would communicate with the service worker are:

- Client participation has been determined or changed.
- The recipient becomes eligible to receive Medicaid.
- The recipient's living arrangement has changed.
- The recipient is ineligible for services.

Examples of situations in which the service worker would communicate with you are when:

- The service worker has a new application.
- Payment for services has begun.
- The recipient's living arrangement has changed.
- The recipient has died.
- The recipient is no longer receiving the service.

Application Processing (IHHRC)

Legal reference: 441 IAC 50.2(249) and 177.4(10)

Any person applying for an in-home health-related care supplement must complete form 470-2927 or 470-2927(S), *Health Services Application*, or form 470-5170 or 470-5170(S), *Application for Health Coverage and Help Paying Costs*. The applicant may file the application directly with a DHS service or income maintenance worker.

When the applicant's income is less than the SSI standard allowance, but the applicant has not applied for SSI, refer the applicant to the Social Security office to file for SSI.

Both the IM worker and the service worker have roles in determining eligibility for in-home health-related care. Both the IM worker and the service worker are required to share information with each other.

If the service worker receives the application first, the service worker copies the first and last page of the application for the service files, and sends the complete application to you.

If you receive the application first, keep the application and notify the service worker of your receipt of the application.

During the application process, the service worker determines if service criteria as defined in 16-J are met and determines the value of the home health care the client will require. You determine if financial eligibility criteria are met and determine the amount of client participation.

Approving or Denying Eligibility

Legal reference: 441 IAC 50.2(249)

If the applicant is eligible for an IHHRC supplement or is ineligible due to a service-related issue, the service worker will notify the client that services have been approved or denied using form 470-0602, *Notice of Decision: Services*. The service worker will also send you a copy of the notice.

If the applicant is eligible for an IHHRC supplement, issue form 470-0490, *Notice of Decision: Medical Assistance or State Supplementary Assistance*, or an automated Notice of Decision, to notify the applicant of the amount of client participation and effective date of approval. (A person who is approved for this supplement will receive two notices, one from IM and one from services.)

If the applicant is ineligible for an IHHRC supplement due to financial or IM-related reasons, issue form 470-0490 or an automated Notice of Decision to the client to notify the client of the denial and the reason. Also send a copy to the service worker.

Effective Date of Approval (IHHRC)

If the IHHRC applicant has income that exceeds SSI limits or is already an SSI recipient, the effective date of SSA payment is the latest of the following:

- The date of application.
- The date all financial eligibility requirements are met (which is determined by the IM worker).
- The date the applicant begins receiving qualified IHHRC services (which is determined by the service worker).

Client Participation for Adults (IHHRC)

Legal reference: 441 IAC 177.8(2)

Client participation is the amount of the recipient's income that must be applied towards the cost of care before SSA funds are used for that purpose. The recipient must pay client participation to the provider of service.

When the recipient is living with a spouse, consider the spouse's income in determining the amount of client participation. When the recipient is not living with the spouse, do not consider the spouse's income.

When determining client participation, count all nonexcluded income, including the spouse's income (if spouse lives with the client). Apply the following deductions:

- When income is earned, $65 plus one-half of the remainder per household.
- Home maintenance allowance for a single person, or for a couple if there is a spouse living with the client or a dependent living with an eligible person, according to the schedule in Home Maintenance Allowance (IHHRC).
- Deduction for the unmet medical needs of the client as discussed in Deduction for Unmet Medical Needs (IHHRC).
- Deduction for the unmet needs of dependents as discussed in Deduction for Unmet Medical Needs (IHHRC).

The household consists of the recipient, the recipient's spouse, and two children. The spouse has earned income of $4,500.

$ 4,500.00	Earnings
- 65.00	
$ 4,435.00	Divided by 2 = $2,217.50
$ 2,217.50	
- 1,100.00	Home maintenance allowance for couple
$ 1,117.50	
- 734.00	Home maintenance allowance for children ($367 x 2)
$ 383.50	Client participation

Do not allow the $20 disregard. Do not count the $22 special blind allowance when determining client participation.

Do not count children's income when computing the household's gross income.

When the first month of service is less than a full month, client participation is not required for that month. The program will pay for the actual days of service provided according to the agreed-upon rate. If a case is closed and later reopened, it may have more than one partial month.

If the client is receiving VA aid and attendance benefits to assist with home health care costs, consider the aid and attendance benefits as supplementation. See Policies Applicable to All State Supplementary Assistance: Income.

Home Maintenance Allowance (IHHRC)

Legal reference: 441 IAC 177.4(7)"a" and "c"

For home maintenance costs, deduct from the considered income the amount of the basic SSI income standard for an individual, a couple, or a dependent (minus the dependent's countable income). The following standards apply:

$ 733	Individual
$ 1,100	Couple
$ 367	Maximum additional allowance for each dependent

Use these amounts as the home maintenance allowance both when the recipient receives an SSI payment and when the recipient's income exceeds SSI standards. When a married couple lives together, give the couple allowance even if only one spouse receives in-home health-related care.

Subtract a dependent's income from the additional home maintenance allowance for a dependent maximum.

1. Ms. A lives alone and receives social security and SSI:

$ 540	Social security
+ 213	SSI
$ 753	Total income
- 733	Home maintenance allowance
$ 20	Client participation

2. The household consists of Mr. B and his child. Mr. B receives $1,200 in social security benefits; the child receives $125.

$ 367	Home maintenance for dependent
- 125	Child's social security
$ 242	Additional home maintenance allowance for the dependent
$1,200	Mr. B's social security
- 733	Home maintenance allowance for individual
$ 467	
- 242	Additional home maintenance allowance for dependent
$ 225	Client participation

3. The household consists of Ms. C and her minor child. Ms. C receives $1,100 in social security, and her child receives $210.

$ 367	Home maintenance allowance for dependent
- 210	Child's social security
$ 157	Additional home maintenance allowance for dependent
$1,100	Ms. C's social security
- 733	Home maintenance allowance for individual
- 157	Additional home maintenance allowance for dependent
$ 210	Client participation

Deduction for Unmet Medical Needs (IHHRC)

Legal reference: 441 IAC 177.4(7)"c," "d," and "e"

"Established unmet medical needs" include costs such as prescriptions, visits to practitioners, and related travel expenses needed on an ongoing basis and not covered by insurance or Medicaid.

Deduct from the family's income the established medical needs of ineligible family members that are not otherwise met.

Deduct from either the client's or the family's income the established medical needs of the members that are not otherwise met and would not be met by Medicaid.

1. Child A has $900 in a savings account and has one parent in the home. The parent has $2,200 in government bonds.

$ 2,200	Parent's resources
- 2,000	Exempt
$ 200	Deemed to Child A

$ 900	Child A's resources
+ 200	Deemed from parent
$ 1,100	To compare to the resource limit for one

Child A is resource-eligible for State Supplementary Assistance.

2. Child B has no resources of his own. Both parents are in the home and they have $5,500 in savings.

$ 5,500	Parent's resources
- 3,000	Exempt
$ 2,500	Deemed to Child B

Child B is ineligible due to excess resources compared to the one-person limit of $2,000.

Deeming Parents' Income

Legal reference: 441 IAC 177.4(8)"a"

The method of computing income to be deemed to the eligible child depends upon the type of income the parent receives.

For parents with **earned income only**, allow the following deductions before deeming income to the eligible child:

- $65 work expense.
- Double the SSI allowance ($1,466 for one parent, $2,200 for two parents).
- Home maintenance allowances for each additional dependent other than the eligible child (maximum of $367 per child). Subtract any income of the dependent from the maximum deduction.
- Unmet medical needs of parents and ineligible children.

1. The D family consists of the eligible child, two parents, and two ineligible siblings. Mr. D has earnings of $3,500 per month.

$ 3,500	Parent's income
- 65	Work expense
$ 3,435	
- 2,200	Double the SSI allowance for a couple
$ 1,235	
- 734	Maintenance for siblings ($367 x 2)
$ 501	Deemed to eligible child

2. The E family consists of the eligible child, two parents, and two ineligible children. Mr. E has earnings of $3,500 per month. The two ineligible children each have social security income of $150 per month.

$ 3,500	Parent's income
- 65	Work expense deduction
$ 3,435	
- 2,200	Double the SSI allowance for a couple
$ 1,235	
- 434	Maintenance allowance for siblings ($367 maximum allowance per child minus $150 income = $217 per child. $217 x 2 = $434)
$ 801	Deemed to eligible child

For parents with **unearned income** only, allow the following deductions before deeming income to the eligible child:

- SSI allowance for parents ($733 for one parent, $1,100 for a couple).
- Home maintenance allowances for each additional minor child other than the eligible child (maximum of $367 per child). Subtract the income of the minor child from the maximum deduction.
- Unmet medical needs of parents and ineligible dependents.

The household consists of the eligible child and her mother. The mother receives unemployment benefits of $800.

$ 800	Mother's income
- 733	SSI allowance for mother
$ 67	Deemed to child

For parents who receive both **earned and unearned income**, allow the following deductions before deeming income to the eligible child:

- $65 plus one-half of the remainder of earned income.
- SSI allowance for parents ($733 for one parent, $1,100 for two parents).
- Home maintenance allowances for each additional dependent other than the eligible child (maximum of $367 per child). Subtract the income of the dependent from the maximum deduction.
- Unmet medical needs of parents and ineligible dependents.

The G family consists of the eligible child, two parents, and one ineligible sibling. Mr. G has a retirement pension of $900. Mrs. G has earnings of $1,500.

$ 1,500.00	Mrs. G's earnings
- 65.00	
$ 1,435.00	Divided by 2 = $717.50
$ 717.50	Mrs. G's countable income
+ 900.00	Mr. G's countable income
$ 1,617.50	
- 1,100.00	SSI allowance for couple
$ 517.50	
- 367.00	Home maintenance for sibling
$ 150.50	Deemed to the eligible child

Client Participation for Children (IHHRC)

Legal reference: 441 IAC 177.4(8)"b" and 177.7(249)

When determining client participation, count all income received by the child or deemed from the parents, unless specifically exempt in 8-E, *INCOME*. Apply the following deductions:

- One-third of any child support received by the child from an absent parent.

$ 1,200.00	Child support payment
- 400.00	1/3 exclusion
$ 800.00	Child's countable income
- 733.00	Home maintenance allowance
$ 67.00	Client participation

- Home maintenance allowance equal to the SSI standard for one person, currently $733.

$ 500.00	Child's social security
+ 300.00	Income deemed from parents
$ 800.00	Child's total countable income
- 733.00	Home maintenance allowance
$ 67.00	Client participation

- Diversion for unmet medical needs of the child. See Deduction for Unmet Medical Needs (IHHRC).

Consider all remaining income to be available for client participation. When the first month of service is less than a full month, client participation is not required for that month. The program will pay for the actual days of service provided according to the agreed-upon rate. If a case is closed and later reopened, it may have more than one partial month.

Making Payment for IHHRC

Legal reference: 20 CFR 416.2001; 441 IAC 177.4(9)

State Supplementary Assistance funds are used to pay the cost of in-home health-related care that is not paid by client participation. However, payment is made through the ISIS system rather than the ABC system. The local office is responsible for entering the payment on the ISIS system.

Payment is made to the adult recipient who is responsible for paying the provider, unless the recipient has designated someone else to receive the check. In that case, the designated person pays the provider. Payment is made to the person responsible for a recipient child. The responsible person then pays the provider.

Direct Deposit of IHHRC Payments

A recipient who wants to have the IHHRC payments deposited directly into a bank account must complete the Department of Administrative Services form, *Electronic Deposit Authorization Form*. The form is available on the DHS network at: Hoovr3s2\Payments\Accounting Bureau Forms\Electronic Deposit Authorization Form.doc.

You may print off the form and give it to the recipient to fill out. The form contains instruction on where to mail or fax the completed form.

Case Maintenance (IHHRC)

Legal reference: 441 IAC 50.4(2)

Review a recipient's eligibility for an IHHRC supplement yearly and whenever a change is reported. The recipient must complete form 470-3118 or 470-3118(S), *Medicaid Review*, at the time of each annual review. The Department completes an annual review for both SSI recipients and non-SSI recipients.

If an in-home health-related care recipient is also an SSI recipient, the Social Security Administration will also complete an annual review of financial eligibility.

An annual DHS review is needed to consider the income of an ineligible spouse, the income of dependents in the household when determining additional home maintenance allowances for dependents, and any unmet medical needs of the client and any dependents for SSI recipients.

Mandatory State Supplement

Legal reference: Iowa Code Section 249.2

Before January 1, 1974, the state of Iowa administered three programs that provided cash assistance to financially needy persons who were aged, blind, or disabled: Old Age Assistance (OAA), Aid to the Blind (AB), and Aid to the Disabled (AD).

On January 1, 1974, the federal Supplemental Security Income (SSI) program was implemented, and the OAA, AB, and AD programs were discontinued. Persons receiving Iowa OAA, AB, or AD assistance were converted to the SSI program.

The maximum SSI benefit level as of January 1974 ($146 for an individual) was higher than the maximum OAA, AB, and AD basic allowance benefit level ($127 for an individual). Thus, persons who were receiving only the basic allowance under the OAA, AB, or AD programs received an increase in benefits when they were converted to the SSI program.

However, at the time of conversion, some persons were receiving an increased OAA, AD, or AB benefit amount in addition to the basic allowance due to a special need. (See Special Needs.)

Minimum Income Level (MIL):	Social security income		$ 120
	State grant		+ 220
	MIL established at		$ 340
SSI Benefit as of 1-1-74:	Basic SSI for an individual		$ 146
	Countable income	$ 120	
	Less $20 disregard	- 20	
	Countable income	$ 100	- 100
	SSI benefit		$ 46
Mandatory State Supplementation:	MIL		$ 340
	Less income ($120 + $46)		- 166
	Mandatory supplementation		$ 174

When a person has a minimum income level, the MIL amount is reflected in the SDX "UNEARNED INCOME" field with an income type "X." When a mandatory state supplementation payment is made, this is reflected in the SDX "STATE SUPP GROSS" and "STATE SUPP NET" payment fields.

CLAIM NUMBER		PAYMENT STATUS	C01	SSI GROSS	733.00
DATE OF BIRTH	02-28-18	RESIDENCE DATE	02-01-95	SSI NET	733.00
SEX CODE	F	DATE APPLIED	07-04-73	**STATE SUPP GROSS**	**54.00**
MARTIAL STATUS	3	DATE DENIED	00-00-00	**STATE SUPP NET**	**54.00**
ALIEN CODE	A	DENIAL CODE		ADVANCE PAY	.00
ALIEN RES DATE	0-00	ELIGIBILITY CODE	10-01-88	EARNED	.00
RACE	W	DISABILITY CODE	F	MONTH OF EARNED	09-96
MULTI-CATEGORY	4	UNPAID RETRO	N	DEEMED	.00
STATE LIVE	Z	THIRD PARTY CODE		NET SELF-EMPLOY	.00
RECIPIENT TYPE	D1			PLAN SELF-SUPPORT	.00
CONCURRENT PAY	9	APPEALS FLAG		BLIND WORK EXP	.00
DEATH DATE	00-00-00	APPEALS CODE		INTERIM ASSIS CODE	0
		APPEALS DATE	00-00-00	COND PAY CODE	

UNEARNED INCOME:	TYPE	STATE DATE	STOP DATE	AMOUNT	FREQ	CLAIM NBR
	A	10-88	00-00	.00	C	
	X	**01-02**	**00-00**	**787.00**	**C**	

CONVERSION CASES:

MANDATORY ELIG CODE	E
ESSENTIAL PERSON	0
RECORD SOURCE CODE	P
DECEMBER 73 COUNTABLE INCOME	209.00
DECEMBER 73 LIVING ARRANGEMENT	A

SPECIAL SSI/DISABLED CHILD/WIDOW WIDOWER/ZEBLEY

MEDICAID ELIGIBILITY CODE	Y
MEDICAID TEST INDICATOR	
WIDOW WIDOWER CODE	
ZEBLEY CODE	

This example illustrates how the SDX 8036 report would look for a person with no current income and a minimum income level of $787. ($787 MIL - $733 SSI benefit = $54 mandatory state supplement payment.)

Reduction in MIL

Legal reference: 20 CFR 416.2855

If you become aware of a change in the client's circumstances which indicates there should be a reduction in the minimum income level, send a memo to the Bureau of Financial, Health and Work Supports in the Division of Adult, Children and Family Services, 5th Floor, Hoover Building in Des Moines. The Bureau notifies the Social Security Administration of the corrected minimum income level.

The following list covers changes that might occur which would indicate the need for a reduction in the minimum income level.

- The client no longer receives meals on wheels.
- The client no longer receives custodial care in a licensed facility.
- The client no longer receives custodial care in a private home.
- The client no longer receives nursing care in a private home.
- There is a reduction in the cost of custodial or nursing care in a private home.
- The client no longer receives personal services.
- There is a reduction in the cost of personal services.
- The amortization payments are completed.
- The essential person no longer lives in the client's home.
- The essential person is now eligible for benefits separately.
- There is a reduction in the family composition.

There is no provision for the Department to increase the minimum income level payment. Once the minimum income level is reduced, it cannot be reinstated to the original amount.

- Conducting an interview and explaining to clients:
  - The scope of SSA and SSI-related Medicaid programs and the choice of programs available. Provide informational program pamphlets.
  - The penalties as described on forms 470-2927 and 470-2927(S), *Health Services Application*, which may be applied for giving false, misleading, or incomplete information, not reporting changes in circumstances, and accepting assistance for which a person is not eligible.
- Notifying the Social Security Administration of any changes in the circumstances of a recipient that may affect SSI eligibility using form 470-0641, *Report of Change in Circumstances--SSI-Related Programs*.
- Making and documenting eligibility decisions.
- Issuing timely and adequate notice to a recipient when an adverse action is taken. If issuing notice manually, use form 470-0490, *Notice of Decision: Medical Assistance or State Supplementary Assistance*.

Application Processing (RCF)

Legal reference: 441 IAC 50.3(2)

A person who wants to apply for an RCF supplement must file form 470-2927 or 470-2927(S), *Health Services Application*, or form 470-5170 or 470-5170(S), *Application for Health Coverage and Help Paying Costs*, with the local Department office.

Process an RCF application within five working days after eligibility factors have been cleared. Eligibility factors for RCF SSA are usually cleared within 30 days after receiving the application. Common delays that would result in this time period being exceeded include:

- A delay caused by the inability of the Social Security Administration to establish SSI eligibility.
- A delay caused by the inability of the Department to establish disability or blindness in cases where the income of the applicant or recipient exceeds SSI limits.

Issue form 470-0490, *Notice of Decision: Medical Assistance or State Supplementary Assistance*, or an automated Notice of Decision to notify the client of approval and the amount of client participation.

The $20 disregard is not allowed for the residential care supplement, which means that:

- An SSI recipient who has no income other than SSI will commonly have countable income for the purposes of the residential care supplement equal to the SSI payment standard ($733).
- An SSI recipient who has unearned income other than SSI will commonly have countable income for the purposes of the residential care supplement equal to the SSI payment standard plus $20 ($733). The difference is due to the $20 income disregard allowed by SSI but not allowed by the residential care facility assistance.
- An SSI recipient who has no unearned income other than SSI but who does have earned income of more than $85 per month will commonly have countable income for the purposes of the residential care supplement equal to the SSI payment standard plus $10 ($743).

  The difference is due to the $20 income disregard allowed by SSI but not allowed by the residential care facility assistance. Because SSI applies the $20 disregard before the one-half earned income disregard, the result is a $10 difference rather than a full $20 difference.

Even when an SSI recipient's income amount changes, the recipient's total countable income will still commonly equal one of the above three amounts, because any increase or decrease in income will be offset with an increase or decrease in the SSI benefit.

Some SSI recipients may have total countable income that is not equal to one of these amounts such as when they have unearned income between $0 and $20 or total earned income between $65 and $85.

A person's countable income is used to calculate client participation. See Client Participation (RCF).

Income Limits

Legal reference: 441 IAC 51.3(3) and 52.1(3)

The residential care supplement does not have a standard income limit. Rather, a person meets income eligibility criteria when the person's client participation is less than the cost of care for a 31-day month based on the per diem rate established for the facility, up to the maximum per diem rate.

3. $101 personal needs allowance. See Personal Needs Allowance (RCF).

4. Funds to meet the basic needs of a spouse living in the home of the client (SSI benefit amount for an individual minus the spouse's countable income). See Diversions to Spouse and Dependent Children.

5. Funds to meet the basic needs of a dependent child living with the spouse at home (SSI benefit amount for a dependent minus the dependent's countable income minus the income of the parent at home that exceeds the SSI benefit for one). See Diversions to Spouse and Dependent Children.

6. Any established unmet medical need of the resident.

7. Any established unmet medical needs of the spouse and dependent if a diversion for their basic needs is also being made.

8. The expenses of the previous living arrangement. See First-Month Client Participation.

NOTE: Do not allow the SSI $20 income disregard.

Personal Needs Allowance (RCF)

Legal reference: 441 IAC 52.1(3)"a"(1) and 54.5(249)

A recipient of residential care facility assistance is entitled to a personal needs allowance of $101 per month. The client (or the client's guardian or conservator) may:

- Keep the funds in cash.
- Deposit the funds in a bank account.
- Designate a friend or relative to manage the funds.
- Deposit the funds with the operator of the RCF.

When the facility manages the personal funds of a resident, the operator of the facility must establish and maintain a system of accounting for expenditures from the resident's personal needs fund.

The *Handbook for Residential Care Facilities* defines the release of the funds, and requires the resident's specific consent. The funds must be refunded to the resident on the day the resident leaves the facility.

Diversions to Spouse and Dependent Children

Legal reference: 20 CFR 416.1160(d); 441 IAC 52.1(3)"a"(3), (4), and (5)

When a client enters a residential care facility, divert income to meet the unmet basic needs of a spouse and any dependent children living at home, unless the spouse or dependent is receiving or is eligible to receive SSI benefits.

For this purpose, a person is the client's dependent when the client is entitled to take a deduction for that person on the client's personal income tax return.

- For the spouse at home, deduct the amount of the SSI benefit for an individual (currently $733) minus the spouse's countable income.
- For each dependent child living at home with the spouse, deduct the amount of the SSI allowance for a dependent (currently $367) minus the dependent's countable income and the amount of countable income from the parent at home that exceeds the SSI benefit for one.

The spouse and dependents must apply for and accept all benefits they may be eligible for in order for this diversion to apply. See Policies Applicable to All State Supplementary Assistance: Nonfinancial Eligibility.

Deduction for Unmet Medical Needs (RCF)

Legal reference: 441 IAC 52.1(3)"a"(5)

Deduct from the client's income established unmet medical needs that are needed on an ongoing basis and are not covered by insurance or Medicaid. (These may include monthly costs, such as visits to practitioners and related travel expenses.)

Do not consider health insurance premiums (other than Medicare Part D premiums) and Medicaid copayments as unmet medical needs. Also do not consider unpaid past bills as unmet medical needs.

1. Mr. X lives in a residential care facility and has no income other than SSI.

$	733	SSI benefit
-	101	Personal needs allowance
$	632	Client participation

2. Mrs. B lives in a residential care facility and has unearned income (social security) of $120. Her SSI benefit is determined as follows:

$	120	Social security
-	20	Income exclusion
$	100	Countable income

$	733	SSI benefit rate
-	100	Countable income
$	633	SSI benefit

Calculation of client participation:

$	120	Social security
+	633	SSI benefit
$	753	
-	101	Personal needs allowance
$	652	Client participation

3. Mr. L lives in a residential care facility. He has social security income of $700 and earned income of $333 and has impairment-related work expenses of $100 per month. The client participation calculation is as follows:

$	700.00	Social security income
+	333.00	Earned income
$	1,033.00	
-	100.00	Impairment-related work expenses
-	65.00	Work expense exclusion
-	84.00	Half of the remaining earned income ($333 - $100 - $65 divided by 2)
-	101.00	Personal needs allowance
$	683.00	Client participation

To accomplish this calculation correctly on the ABC system, the worker first manually subtracts the impairment-related work expense of $100 from the earned income amount of $333.

The worker enters the resulting $233 in the BCW2 EARNED INCOME field. The ABC system then calculates the $65 plus one-half disregard from earned income.

Applicant Receives Dependent Person Assistance for an Ineligible Spouse or Other Dependent Relative

When an applicant who receives dependent person assistance enters a residential care facility, terminate the payment for the dependent relative using form 470-0640, *State Supplementary Assistance Certification or Termination*.

Divert income from the client to meet the needs of the dependent. Apply any applicable diversions from the client to meet the needs of the spouse or dependent.

1. Mr. J lives in a residential care facility. He has no income other than SSI. Mrs. J lives in the couple's home. She is not SSI-eligible and has no income.

$	733	SSI benefit
-	101	Personal needs allowance
$	632	
-	632	Diversion for spouse
$	0	

Only $632 can be diverted to Mrs. J (instead of the SSI benefit of $733), because the personal needs allowance must be deducted first.

2. Mr. M lives in a residential care facility and has social security income of $950 (over income for SSI). Mrs. M lives in the couple's home. She is not SSI-eligible and has no income.

$	950	Social security income
-	101	Personal needs allowance
$	849	
-	733	Diversion for spouse
$	116	Client participation

3. Mr. A receives social security income of $200 and SSI of $452.50. Mrs. A has monthly earnings of $1,000. Mr. A enters a residential care facility in June. Mrs. A remains at home. Mr. A's SSI benefit in June is calculated as follows:

$ 200.00	Mr. and Mrs. A's combined unearned income
- 20.00	Income exclusion
$ 180.00	Combined countable unearned income
$ 1,000.00	Combined earned income
- 65.00	Work expense exclusion
- 467.50	One-half of remainder
$ 467.50	Combined countable earned income
+ 180.00	Combined countable unearned income
$ 647.50	Combined countable income
$ 1,100.00	SSI benefit rate for couple
- 647.50	Countable income
$ 452.50	SSI benefit amount

The SDX "DEEMED INCOME" field indicates only what the couple's combined total countable income is ($647.50). The SDX does not indicate the total gross income of the ineligible spouse or the eligible spouse's type of income.

However, SSI's determination of the couple's countable income is still used to determine State Supplementary Assistance (SSA) eligibility and client participation, as shown below.

During June, Mr. and Mrs. A continue to be treated as one household for both SSI and SSA eligibility. The SDX "DEEMED INCOME" field is used to determine the couple's total countable income.

$ 647.50	Couple's total countable income (SDX DEEMED INCOME field)
+ 20.00	Exclusion allowed for SSI calculation but not allowed for SSA calculation
+ 452.50	SSI benefit
$ 1,120.00	
- 101.00	Personal needs allowance
- 1,100.00	Home maintenance allowance for month of entry
$ .00	Client participation for month of entry

Beginning in July, Mr. and Mrs. A are treated individually for both SSI and State Supplementary Assistance (SSA). Mr. A's SSI benefit increases to $553. His client participation is calculated as follows:

$ 200.00	Mr. A's social security
+ 553.00	Mr. A's SSI
$ 753.00	
- 101.00	Personal needs allowance
$ 652.00	
- 275.50	Diversion for Mrs. A (733 - 457.50 [1,000 – 20 = 980 – 65 ÷ 2])
$ 376.50	Client participation

4. Mr. B enters a residential care facility in May. He receives social security of $825. Mrs. B remains at home. She receives social security of $800.

   Because neither Mr. B nor Mrs. B was an SSI recipient when Mr. B entered the facility, the spouses are treated separately beginning in May. Only Mr. B's income and resources are considered for SSA eligibility.

5. Mr. T receives social security income of $1,150. Mrs. T is not aged, blind, or disabled. She receives unearned income of $100. Mr. and Mrs. T also have a dependent child with no income. Mr. T enters a residential care facility in April. Mrs. T and the dependent child remain at home.

   Because neither Mr. T nor Mrs. T was determined to be eligible for SSI in the month of entry, their income and resources are considered separately. Mr. T's eligibility and client participation is determined as follows:

   April:

$ 1,150	Social security
- 101	Personal needs allowance
- 1,100	Home maintenance allowance
- 367	Diversion for dependent's basic needs
$ 0	Client participation

   May:

$ 1,150	Social security
- 101	Personal needs allowance
- 653	Diversion to the spouse (733 – (100 – 20))
- 367	Diversion for dependent's basic needs
$ 29	Client participation

Applicant Has SSI-Eligible Spouse at Home

When the SSI benefit is based on the needs of the applicant and an eligible spouse, the basic SSI payment standard is $1,100 for the couple. When one member of the married couple enters an RCF, treat the spouses as individuals beginning in the month after the month of entry.

1. Mr. K enters a residential care facility in March. He has social security income of $175. Mrs. K lives in the couple's home. She has social security income of $100. Mr. and Mrs. K receive SSI of $845 as a couple.

   For March, the Social Security Administration continues to treat Mr. and Mrs. K as a couple for SSI eligibility purposes. Mr. and Mrs. K are also treated as a couple for State Supplementary Assistance (SSA) eligibility.

   Calculation of client participation for March:

$ 175	Mr. K's social security income
+ 100	Mrs. K's social security income
+ 845	SSI benefit
$ 1,120	Total income
- 101	Personal needs allowance
- 1,100	Home maintenance allowance for month of entry
$ 0	Client participation for month of entry

   Beginning in April, the Social Security Administration treats Mr. and Mrs. K as individuals for SSI eligibility. Mr. and Mrs. K are also treated as individuals for SSA eligibility.

   Calculation of Mr. K's SSI:

$ 175	Mr. K's social security
- 20	Income exclusion
$ 155	Countable income
$ 733	SSI individual benefit rate
- 155	Mr. K's countable income
$ 578	SSI benefit

Calculation of client participation:

$	175	Social security
+	578	SSI benefit
$	753	
-	101	Personal needs allowance
$	652	Client participation

No diversion is made for Mrs. K because she now receives SSI as an individual, so her needs are met by SSI.

Applicant Has SSI-Eligible Spouse and Dependent Child

When the SSI or State Supplementary Assistance (SSA) benefit is based on the needs of the applicant, an SSI-eligible spouse, and a dependent child, the total basic payment for the month of entry is $1,467 ($1,100 for the eligible couple and $367 for the dependent child).

Starting with the month after the month of entry, consider the applicant living in the RCF to be an individual, with a basic SSI payment of $733. Treat the SSI-eligible spouse and dependent child as an eligible individual with a dependent child, with a basic SSI-SSA payment of $1,110 ($733 + 377).

1. Mr. W moves to a residential care facility in May. He is SSI-eligible and has social security income of $139. Mrs. W lives in the couple's home. She is SSI-eligible and has social security income of $70.

   Their son lives in the home with Mrs. W and is financially dependent upon his parents. The Ws receive a SSA dependent person allowance with their SSI benefit.

   For May, the Social Security Administration continues to treat Mr. and Mrs. W and their dependent son as one household for SSI eligibility purposes. Mr. and Mrs. W and their dependent son are also considered as one household for SSA eligibility purposes.

Calculation of client participation for May:

$ 139	Mr. W's social security income
+ 70	Mrs. W's social security income
+ 911	SSI benefit for Mr. and Mrs. W ($1,100 + $20) - ($139 + $70)
+ 377	Dependent person allowance for son
$ 1,497	
- 101	Personal needs allowance
- 1,467	Home maintenance allowance for month of entry ($1,100 + $367)
$ 0	Client participation for month of entry

Beginning in June, the Social Security Administration treats Mr. and Mrs. W as individuals for SSI eligibility. Mr. and Mrs. W are also considered as individuals for SSA eligibility.

Calculation of Mr. W's SSI:

$ 139	Social security
- 20	Income exclusion
$ 119	Countable income
$ 733	SSI individual benefit rate
- 119	Countable income
$ 614	SSI benefit

Calculation of client participation:

$ 139	Social security
+ 614	SSI benefit
$ 753	
- 101	Personal needs allowance
$ 652	Client participation

No diversion is made for Mrs. W or the W's son because Mrs. W now receives SSI as an individual and also receives a dependent person allowance for their son, so their needs are being met by SSI.

Billing and Payments

Legal reference: 441 IAC 52.1(3) and 54.7(249)

Each person who applies and is found eligible receives a SSA payment on a monthly basis after the facility bills the Iowa Medicaid Enterprise (IME). Payments are made either directly to the person receiving care or to a guardian, conservator, or someone else designated by the client.

SSA payment is not made while an application is pending. Retroactive payments are made back to the date the applicant entered the residential care facility, 30 days before to the date of application, or the date the applicant became eligible, whichever is later.

The IME makes SSA payments only for the days when the client is a resident of the facility (except as specified under Reserve Bed Days Due to Hospitalization and Reserve Bed Days Due to Visits or Vacation). Payment is made for the day of entry, but not for the day of discharge or death.

Payment rates are established for the particular facility and cover the care received during the previous month. Payment is on a per diem basis, as billed by the facility.

The facility must accept the per diem rate established by the Department for SSA recipients and cannot charge recipients an additional amount.

Operators of residential care facilities have two options on how their payment rate is calculated:

- A **cost-related** per diem rate established by the Department specifically for each facility. To use this option, the facility must submit form 470-0030, *Financial and Statistical Report*, to the IME Provider Cost Audit and Rate-Setting Unit once a year. The report is due within three months after the end of the facility's fiscal year.

  The maximum cost-related per diem rate is $30.05, beginning January 1, 2015.

- A **flat** per diem rate established by the Department. Under this option, facilities do not file a *Financial and Statistical Report*. The established per diem rate cannot exceed the average rate the facility charges private-pay residents. The flat per diem rate is $17.86 beginning February 1, 2004.