



# Bulletin

**NUMBER**

#14-21-04

**DATE**

November 20, 2014

**OF INTEREST TO**

County Directors

Social Services Supervisors  
and Staff

Financial Assistance  
Supervisors and Workers

Mille Lacs Tribal TANF

MinnesotaCare Operations  
Managers, Supervisors and  
Staff

**ACTION/DUE DATE**

Please read and  
implement.

**EXPIRATION DATE**

November 20, 2016

## Deduction of Court-Ordered Spousal Maintenance for Long- Term Care Facility Residents

**TOPIC**

Deduction of court-ordered spousal maintenance for long-term care facility residents

**PURPOSE**

Provide policy information and instructions about the deduction of court-ordered spousal maintenance for long-term care facility (LTCF) residents.

**CONTACT**

MinnesotaCare Operations, counties and tribal agencies should submit policy questions to HealthQuest.

All others should direct questions to:

Health Care Eligibility and Access (HCEA) Division  
P.O. Box 64989  
540 Cedar Street  
St. Paul, MN 55164-0989

**SIGNED**

NATHAN MORACCO  
Assistant Commissioner  
Health Care Administration

**TERMINOLOGY NOTICE**

The terminology used to describe people we serve has changed over time. The Minnesota Department of Human Services (DHS) supports the use of "People First" language.

## I. Background

Medical Assistance (MA) enrollees who are eligible for MA payment of long-term care (LTC) services and reside in a long-term care facility (LTCF) must contribute their monthly gross income, after certain deductions, to the cost of LTCF care. The amount the enrollee must pay is called the LTC spenddown. The 2014 Minnesota Legislature passed legislation that allows a new deduction from income for certain court-ordered spousal maintenance.

Refer to Health Care Programs Manual (HCPM) Section [23.15](#) – LTC Income Calculation for more information about deductions from income for LTCF residents.

## II. Introduction

Beginning in July 2014, certain court-ordered spousal maintenance can be deducted from an enrollee's gross monthly income when calculating the LTC spenddown. In order to be deducted, the spousal maintenance must be:

- court-ordered under a judgment and decree for dissolution of marriage; and
- garnished from a source of the enrollee's income.

In addition to the spousal maintenance, fees associated with the garnishment can be deducted if they are also garnished from the enrollee's income.

Currently, the Minnesota Health Care Programs (MHCP) Application for Payment of Long-Term Care ([DHS-3531](#)), MHCP Request for Payment of Long-Term Care Services ([DHS-3543](#)) and MHCP Renewal for People Receiving Long-Term Care Services ([DHS-2128](#)) forms do not ask applicants and enrollees if they are currently paying court-ordered spousal maintenance. DHS is updating these forms to add a question about court-ordered spousal maintenance.

## III. Action Required

Beginning July 2014, deduct court-ordered spousal maintenance that meet the criteria described in Section II and any associated fees when processing LTC budgets as a result of an application, renewal or reported change.

Request verification that the spousal maintenance and fees are:

- court-ordered under a judgment and decree for dissolution of marriage; and
- garnished from a source of the enrollee's income.

Workers must request the necessary verification needed to determine if a deduction can be applied to the LTC spenddown any time they become aware that an enrollee's income has been garnished to pay court-ordered spousal maintenance.

Adjust all LTC spenddowns back to July 2014, for months in which the enrollee was entitled to the deduction for court-ordered spousal maintenance.

## **A. System Instructions**

Court-ordered spousal maintenance garnished from income under a judgment and decree of dissolution of marriage and any administrative fees garnished for collection efforts are allowed as a deduction in the LTC budget for persons who have a Facility Type of 41, 42 or 43. Amounts coded as “alimony” on the STAT/COEX panel do not automatically appear on the LBUD panel in HC ELIG and are not deducted on that panel. Refer to the “When to Begin the LTC Income Calculation” section of HCPM Section 23.15 and apply the new deduction when the LTC income calculation begins.

Use the following workaround to apply this deduction to the LTC spenddown.

1. Enter the spousal maintenance deduction amount in the “Alimony” field on the STAT/COEX panel.
2. FIAT the deduction on the LBUD panel in the “Other Deductions” field, using FIAT code 06 (LTC/EW Client).
3. Approve eligibility results.
4. Add the following worker comment to the notice using SPEC WCOM:  
“Your LTC spenddown decreased because you are paying court-ordered spousal maintenance.”
5. Add a case note.
6. Update the RSPD screen in MMIS with the new LTC spenddown amount.

## **IV. Legal Authority**

Laws of Minnesota 2014, chapter 312, article 24, section 38

## **V. Americans with Disabilities Act (ADA) Advisory**

This information is available in accessible formats for people with disabilities by calling (651) 431-2283 (voice) or toll free at (888) 938-3224 or by using your preferred relay service. For other information on disability rights and protections, contact the agency’s ADA coordinator.