**Policy Clarifications**

**Medicaid – Long Term Care**

**PMN-20011-468**

**Submitted: 6/26/2020 Agency: CAOs**

**Subject: New Income Code for Spousal Allowance used in Long-Term Care (LTC) Cases**

**Question: What income code should the caseworker use for the spousal allowance in the electronic Client Information System (eCIS)?**

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| **Response by: Division of Health Services** **Date: July 2, 2020**When the institutionalized spouse (IS) has a community spouse (CS) who has been determined to be eligible for a spousal allowance deduction from the IS’ income, the caseworker must account for that deduction in eCIS. Currently, the caseworker is using unearned income code ‘98-Long Term Care related Unearned Income’. With the implementation of the LTC system changes effective July 13, 2020, a new unearned income code, **‘97—Spousal Allowance’**, will be used by caseworkers who have cases in which the CS receives a spousal allowance. Use of income code 97 will ensure the spousal allowance is not counted towards the CS’ income in the LTC facility record but will be counted towards the CS’ eligibility for other benefit programs.Any record that has the spousal allowance currently coded ‘98’, must be converted to code ‘97’ on or after July 13, 2020 as caseworkers are running Reapplication or Maintenance workflows. To convert the spousal allowance income codes, caseworkers are to finalize code ‘98’ and enter the new ‘97’ code.After converting the income entry to the new code and running eligibility, the caseworker will review the cost of care calculation in the income eligibility results to ensure that the spousal allowance is not counted as income for the CS in the IS’ Medical Assistance (MA) LTC budget. |  |