

**CPI** – Continuous Period of Institutionalization  
**Base allowance** – 150% of federal poverty for two (see MA-2270, VI.)  
**SES** – Standard excess shelter cost (see MA-2270, VI.C)

**ISP** – Institutionalized Spouse  
**CUSP** – Community Spouse  
**SUA** – Standard Utility Allowance  
(see Table C, MA-2270)

**Combined Maximum** – Base Allowance plus excess shelter up to amount listed in MA-2270.

**Rules for deeming Income ISP to CUSP**

1. ISP must have a legal spouse at point CPI begins; not required to have been living with A/R.
2. **Do not protect income if:** A/R sanctioned for transfer; both are institutionalized; or separated more than 12 months.  
(unless a formal/informal agreement for spousal support is being PAID) .

**A. Maximum Income Available for Deeming to CUSP**

1. A/R's countable income for LTC, step II .....
2. Subtract \$30 personal needs allowance .....
3. Subtract any mandatory deductions .....
4. Subtract A&A/UME portion of VA payment.....
5. Difference is the maximum available for deeming .....
6. Continue if greater than zero .....

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-
-
<b>A.5.</b>

**B. CUSP's Gross Monthly Income .....**

1. Count all, including SSI, Special Assistance and Work First.
2. Prorate Work First based on # in Work First case.

<b>B.1.</b>
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**C. Is CUSP's Gross Income (from B., above) greater than or equal to Base Allowance?**

1.  **YES.** Stop and go to D., below.
2.  **NO. GROSS IS LESS, ENTER BASE ALLOWANCE HERE.**
  - a. Subtract CUSP's gross from Base Allowance      Gross (B.) .....  
(Always round down)
  - b. Result is CUSP's needs      CUSP's Needs.....

<b>C.2.</b>
-
<b>C.2.b</b>

- c. Do CUSP's NEEDS exceed or equal maximum available from ISP in A., above?
  - YES. DEEM MAXIMUM AVAILABLE IN A.5., ABOVE.** Do not consider shelter cost. Stop here.
  - NO. NEEDS ARE LESS THAN MAXIMUM IN A.5., ABOVE.** Continue to C.3., below.

3. Are CUSP stated monthly expenses **equal to or less than** the SES in MA-2270?
  - YES.** Shelter costs are equal to or less than SES, **DEEM CUSP's NEEDS** in C.2.b, above. Stop.
  - NO.** Monthly costs exceed SES, continue to D., below.

**D. IF CUSP states that SHELTER COSTS exceed SES amount, verify and total the following monthly (prorated) costs:**

- a. Rent or mortgage: .....
  - b. Taxes: .....
  - c. Homeowner's or Renter's Insurance.....
  - d. Required Maintenance Charges: .....
  - e. Standard Utility Allowance: .....
- (Refer to **Table C** in MA-2270)

<b>a.</b>
<b>b. +</b>
<b>c. +</b>
<b>d. +</b>
<b>e. +</b>
<b>Total</b>
<b>E.</b>
- \$
<b>E.2</b>

**E. Total from Shelter Costs (D., above) .....**

1. Subtract the SES amount from MA-2270.....
2. Result is the excess shelter expense.

**Total**

**(SES)**

**Key:**    **A. Maximum available from ISP**  
**B. CUSP's Gross Income**

**C. Base Allowance**  
**C.2.b CUSP's Needs**

**E. Total Shelter cost**  
**E.2 Excess Shelter Costs**

F. Enter Excess Shelter Expense (see E.2., above).....  
 Add to Base Allowance to determine total needs.....

E.2.
+
F.
G.1.a.
-
G.1.b

G. Are TOTAL NEEDS greater than Combined Maximum listed in MA-2270?

TOTAL NEEDS:

SUBTRACT GROSS INCOME:

- NO. TOTAL NEEDS are less than or equal to Combined Maximum.
  - SUBTRACT CUSP's GROSS INCOME from TOTAL NEEDS
  - Round down to nearest dollar and go to H.

Adjusted NEEDS:

- YES. TOTAL NEEDS exceed Combined Maximum.

Combined Maximum:

- Enter Combined Maximum Listed in MA-2270
- SUBTRACT CUSP'S GROSS INCOME
- Round down to nearest dollar and go to H.

(G.2.b.) GROSS:

Adjusted NEEDS:

G.2.a
(G.2.b.) GROSS:
-
G.2.c

H. Are adjusted needs (from G.1.b or G.2.c above) LESS THAN the maximum available from ISP?

- YES.
  - DEEM adjusted needs amount from ISP to CUSP.
  - SUBTRACT adjusted needs from maximum available.
  - RESULT is PML.
- NO.
  - DEEM maximum available from ISP to CUSP.
  - PML is zero.

NOTE: ISP or CUSP can choose for a lesser amount to be deemed; greater amount must be established by the terms of formal separation, court order, or appeal.

**DEPENDENT FAMILY MEMBER ALLOWANCE**

**Rules for Dependent Family Members (DFM) Allowance**

- Dependent must live with CUSP and be claimed as dependent for income tax purposes by either a/r or CUSP.
- There must be income left after subtracting CUSP allowance from maximum available protection.
- DFM allowance for maximum, refer to MA-2270, VII., is calculated separately for each DFM.

A. DFM Allowance Amount – Calculate separately for each DFM, as follows:

- Enter the Spouse Base Allowance (see MA 2270, VI.B.)
- Subtract each DFM's gross monthly income, including SSI.  
Prorate Work First. Allow no deductions.

Remainder:

- Divide the remainder by 3.
- Round down to the nearest dollar, not to exceed maximum.

(for maximum, refer to MA-2270)

- \$
÷ 3

B. Allocation for Dependents Only (A/R has dependents, but no spouse.)

- Enter medically needy PLA maintenance amount for number of dependents:
- Enter total gross monthly income of dependents.
  - If the total gross is less than maintenance: Deem difference to dependents.
  - If total gross is equal to or greater than PLA maintenance, do not protect any amount of income for the dependents.

PLA MAIN.

GROSS

DEEM


Note: The amount of income that is deemed to the dependent family member is countable income for the dependent who is a Medicaid applicant or recipient.