

**TO:** Local Commissioners, Medicaid Directors

**FROM:** Betty Rice, Director  
Division of Consumer and Local District Relations

**SUBJECT:** Spousal Impoverishment Figures for 2004

**EFFECTIVE DATE:** January 1, 2004

**CONTACT PERSON:** Local District Liaison  
Upstate (518) 474-8216 NYC (212) 268-6855

The Centers for Medicare & Medicaid Services (CMS) has informed the Department that due to an increase in the consumer price index, the federal maximum community spouse resource allowance (CSRA) increases to \$92,760 effective January 1, 2004. The State's minimum CSRA will remain unchanged at \$74,820. Therefore, in determining the community spouse resource allowance on and after January 1, 2004, the community spouse is permitted to retain resources in an amount equal to the greater of the following amounts:

1. **\$74,820** (the State minimum community spouse resource allowance);  
or
2. the amount of the spousal share up to **\$92,760** (the new federal maximum).

"Spousal share" is the amount equal to one-half of the total value of the countable resources of the couple as of the beginning of the most recent continuous period of institutionalization of the institutionalized spouse on or after September 30, 1989.

Please note that the following family member allowance amount and the figure used in the family member allowance calculation are based on the estimated federal poverty level. Effective January 1, 2004, the annual figure for 100 percent of the federal poverty level for a household of two increases to \$12,490. This figure multiplied by 150 percent and then divided by 12 equals \$1,562. Therefore, social services districts must use **\$1,562** to calculate the family member allowance, as follows:

1. Subtract the otherwise available income of the family member from \$1,562 (the remainder is entered on line 19a of page 5 of the Institutionalized Spouse Budget Worksheet);
2. Divide the remainder (amount entered on line 19a of the worksheet) by 3, and round up to the nearest dollar. This is the family member allowance (the amount is entered on line 20 of the worksheet).

If a family member has no otherwise available income, the family member allowance is **\$521**. All spousal impoverishment cases involving a family member that are active on or after January 1, 2004 must be recomputed using the new family member allowance formula.

In addition, effective January 1, 2004, the community spouse minimum monthly maintenance needs allowance (MMMNA) increases to **\$2,319**. The increased MMMNA, family member allowance, federal maximum CSRA, and State minimum CSRA must be used when completing an assessment of a couple's resources and income.

Any increases in the MMMNA and family member allowance and/or changes in the NAMI of the institutionalized spouse are to be made effective January 1, 2004. Timely and adequate notice must be provided. The increased MMMNA and family member allowance must also be used effective January 1, 2004 in determining any requested contribution of income from a community spouse or from a spouse living apart from an SSI-related applicant/recipient.

We anticipate that as of December 1, 2003 Upstate and December 29, 2003 in New York City, MBL will support \$2,319 as the MMMNA for budgets with Effective From Dates of January 1, 2004 or later.

Any questions concerning this message should be directed to your local district liaison, upstate at (518) 474-8216 or in New York City at (212) 268-6855.