



Date: May 18, 2022

DMS Operations Memo 22-05

To: Income Maintenance Supervisors
Income Maintenance Lead Workers
Income Maintenance Staff

Affected Programs:

- | | |
|--|--|
| <input type="checkbox"/> BadgerCare Plus | <input type="checkbox"/> Caretaker Supplement |
| <input type="checkbox"/> FoodShare | <input type="checkbox"/> FoodShare Employment and Training |
| <input checked="" type="checkbox"/> Medicaid | |
| <input type="checkbox"/> SeniorCare | |

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Bureau of Enrollment & Eligibility Policy
Division of Medicaid Services

Spousal Impoverishment Income Allowance Federal Poverty Level Adjustment

CROSS REFERENCE

- Medicaid Eligibility Handbook, [Section 18.6 Spousal Impoverishment Income Allocation](#) and [Section 39.4.2 Elderly, Blind, or Disabled Deductions and Allowances](#)
- Social Security Act §1924(d) and Wis. Stat. § 49.455

EFFECTIVE DATE

July 1, 2022

PURPOSE

This operations memo provides the 2022 amounts for the spousal impoverishment community spouse income allowance minimum allocation, the spousal impoverishment family member income allowance, and the shelter base amount. This memo also announces a change to how the spousal impoverishment family member income allowance is calculated.

BACKGROUND

The U.S. Department of Health and Human Services issued its annual update of the Poverty Income Guidelines, also called the Federal Poverty Level (FPL) Guidelines, on January 12, 2022. These guidelines are available at the following website: <https://aspe.hhs.gov/poverty-guidelines>.

Income limits and other amounts used in eligibility determinations for some categories of Medicaid are based on the FPL. Federal and state law mandates that the income limit changes related to spousal impoverishment have a delay in their effective dates. As a result, the changes are effective July 1, 2022.

Prior to the change outlined in this memo, the maximum spousal impoverishment family member income allowance was calculated as 1/3 of 150% of the FPL for a group size of two. Each dependent family member's actual income was subtracted from this amount to determine the amount of their allowance. To comply with federal and state regulations, the spousal impoverishment family member income allowance calculation is being updated effective August 1, 2022, as outlined in the Policy section below.

POLICY

The spousal impoverishment community spouse income allowance minimum allocation, the spousal impoverishment family member income allowance, and the shelter base amount will increase effective July 1, 2022. The new limits will be in CARES on May 25, 2022. CARES eligibility redeterminations for July benefits will occur on June 4, 2022, as part of a mass change.

SPOUSAL IMPOVERISHMENT COMMUNITY SPOUSE INCOME ALLOWANCE

Item	Amount Effective from July 1, 2021-June 30, 2022	New Amount Effective July 1, 2022
Minimum allocation	\$2,903.34	\$3,051.66
Shelter base amount	\$871.00	\$915.50

SPOUSAL IMPOVERISHMENT FAMILY MEMBER INCOME ALLOWANCE

Item	Amount Effective from July 1, 2021 - June 30, 2022	New Amount Effective July 1, 2022
Each eligible family member	\$725.84	\$762.92

CHANGE TO SPOUSAL IMPOVERISHMENT FAMILY MEMBER INCOME ALLOWANCE CALCULATION

Effective August 1, 2022, a new metric will be used when determining the spousal impoverishment family member income allowance. This new metric is called the **dependent family member income allowance standard**, calculated as 150% of the FPL for a group size of two.

Item	Amount Effective August 1, 2022
Dependent family member income allowance standard	\$2,288.75

Effective August 1, 2022, each dependent family member's income allowance will be calculated as follows:

1. Subtract the family member's actual income from the dependent family member income allowance standard.
2. Divide the result by three.

Example: Debra receives long-term care services through Medicaid. Her husband Rafael lives in the community with their two children, Evie and Jean. Evie has \$500 monthly income and Jean has no income.

$(\$2,288.75 - \$500) \div 3 = \mathbf{\$596.25}$ allowance for Evie

$(\$2,288.75 - \$0) \div 3 = \mathbf{\$762.92}$ allowance for Jean

CONTACTS

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DHS/DMS/BEEP/NAH/EB