



Minnesota Health Care Programs

Eligibility Policy Manual

This document provides information about additions and revisions to the Minnesota Department of Human Service's Minnesota Health Care Programs Eligibility Policy Manual.

Manual Letter #21.1

January 1, 2021

Manual Letter #21.1

This manual letter lists new and revised policy for the Minnesota Health Care Programs (MHCP) Eligibility Policy Manual (EPM) as of January 1, 2021. The effective date of new or revised policy may not be the same date the information is added to the EPM. Refer to the Summary of Changes to identify when the Minnesota Department of Human Services (DHS) implemented the policy.

I. Summary of Changes

This section of the manual letter provides a summary of newly added sections and changes made to existing sections.

A. [EPM Home Page](#)

We add this manual letter to the EPM home page. We add a list of COVID-19 emergency bulletins.

B. [Section 2.1.1.2.3 Medical Assistance \(MA\) Cost Sharing](#)

We add the non-TEFRA parental fee information into this section from the TEFRA Option Parental Fees section. We add additional instances when a parent is not responsible for a parental fee.

C. [Section 2.3.6.1.2 Medical Assistance under the TEFRA Option Parental Fees](#)

We remove the non-TEFRA parental fee information from this section to the Cost Sharing section.

D. [Section 2.4.2.3.1 Medical Assistance for Long-Term Care Services Home and Community–Based Services Waivers for People with Disabilities](#)

We clarify that when a person on a HCBS waiver program is treated as a household of one, only their income and assets count in their Medical Assistance (MA) determination.

E. [Appendix C Medicare Cost Sharing Amounts](#)

We updated this appendix with the Medicare cost sharing amounts for the 2021 benefit year.

F. [Appendix F Standards and Guidelines](#)

We update the following standards and guidelines in this appendix:

- Maximum monthly income allowance
- Home equity limit
- Clothing and personal needs allowance
- Maximum asset allowance
- Pickle disregard

- Remedial care expense
- Special income standard
- Student earned income exclusion
- Supplemental Security Income (SSI) maximum payment amounts
- 2021 tax year tax filing thresholds

The updated amounts are effective January 1, 2021.

II. Documentation of Changes

This section of the manual letter documents all changes made to an existing section. Deleted text is displayed with strikethrough formatting and newly added text is displayed with underline formatting. Links to the revised and archived versions of the section are also provided.

- A. [EPM Home Page](#)**
- B. [Section 2.1.1.2.3 Medical Assistance \(MA\) Cost Sharing](#)**
- C. [Section 2.3.6.1.2 Medical Assistance under the TEFRA Option Parental Fees](#)**
- D. [Section 2.4.3.1 Home and Community-Based Services Waivers for people with Disabilities](#)**
- E. [Appendix C Medicare Cost Sharing Amounts](#)**
- F. [Appendix F. Standards and Guidelines](#)**

A. EPM Home Page

Minnesota Health Care Programs

Eligibility Policy Manual

Welcome to the Minnesota Department of Human Services (DHS) Minnesota Health Care Programs Eligibility Policy Manual (EPM). This manual contains the official DHS eligibility policies for the Minnesota Health Care Programs including Medical Assistance and MinnesotaCare. Minnesota Health Care Programs policies are based on the state and federal laws and regulations that govern the programs. See Legal Authority section for more information.

The EPM is for use by applicants, enrollees, health care eligibility workers and other interested parties. It provides accurate and timely information about policy only. The EPM does not provide procedural instructions or systems information that health care eligibility workers need to use.

Manual Letters

DHS issues periodic manual letters to announce changes in the EPM. These letters document updated sections and describe any policy changes.

[MHCP EPM Manual Letter #21.1, January 1, 2021](#)

2020 Manual Letter

MHCP EPM Manual Letter #20.1, March 1, 2020

MHCP EPM Manual Letter #20.2, June 1, 2020

MHCP EPM Manual Letter #20.3, September 1, 2020

MHCP EPM Manual Letter #20.4, December 1, 2020

2019 Manual Letter

MHCP EPM Manual Letter #19.1, January 1, 2019

MHCP EPM Manual Letter #19.2, April 1, 2019

MHCP EPM Manual Letter #19.3 June 1, 2019

MHCP EPM Manual Letter #19.4, August 7, 2019

MHCP EPM Manual Letter #19.5, September 1, 2019

MHCP EPM Manual Letter#19.6, November 1, 2019

MHCP EPM Manual Letter #19.7. December 1, 2019

2018 Manual Letters

MHCP EPM Manual Letter #18.1, January 1, 2018

MHCP EPM Manual Letter #18.2, April 1, 2018

MHCP EPM Manual Letter #18.3, June 1, 2018

MHCP EPM Manual Letter #18.4, September 1, 2018

MHCP EPM Manual Letter #18.5, December 1, 2018

2017 Manual Letters

MHCP EPM Manual Letter #17.1, April 1, 2017

MHCP EPM Manual Letter #17.2, June 1, 2017

MHCP EPM Manual Letter #17.3, August 1, 2017

MHCP EPM Manual Letter #17.4, September 1, 2017

MHCP EPM Manual Letter #17.5, December 1, 2017

2016 Manual Letters

MHCP EPM Manual Letter #16.1, June 1, 2016

MHCP EPM Manual Letter #16.2, August 1, 2016

MHCP EPM Manual Letter #16.3, September 1, 2016

MHCP EPM Manual Letter #16.4, December 1, 2016

Bulletins

DHS bulletins provide information and direction to county and tribal health and human services agencies and other DHS business partners. According to DHS policy, bulletins more than two years old are obsolete. Anyone can subscribe to the Bulletins mailing list.

A DHS Bulletin supersedes information in this manual until incorporated into this manual. The following bulletins have not yet been incorporated into the EPM:

- Bulletin #19-21-01, Pre-eligibility Verification for Medical Assistance for Families with Children and Adults
- Bulletin #19-21-04, DHS Announces Changes to the MAGI Methodology for Medical Assistance and MinnesotaCare

- Bulletin #20-21-11, DHS Clarifies Medical Assistance Policies for Accepting Self-Attestation of Certain Eligibility Factors
- Bulletin #20-21-12, DHS Clarifies Treatment of Non-Homestead Life Estate in Medical Assistance for Long-Term Care (LTC)

COVID-19 Emergency Bulletins: These bulletins announce temporary policy modifications, which supercede policies in this manual, during the COVID-19 emergency. Because these bulletins provide temporary guidance, they will not be incorporated into this manual.

- Bulletin #20-21-02, DHS Announces Temporary Policy Changes to Minnesota Health Care Programs During the COVID-19 Peacetime Emergency
- Bulletin #20-21-03, DHS Announces Medical Assistance for COVID-19 Testing of Uninsured Individuals
- Bulletin #20-21-04, DHS Explains Treatment of Federal Coronavirus Aid, Relief, and Economic Security Act Payments for Minnesota Health Care Programs
- Bulletin #20-21-05, DHS Explains Treatment of Federal Pandemic Unemployment Compensation Payments for Minnesota Health Care Programs
- Bulletin #20-21-06, DHS Explains Treatment of State, Local and Tribal COVID-19 Relief Payments for Minnesota Health Care Programs
- Bulletin #20-21-10, DHS Announces Updates to Temporary Policies for Minnesota Health Care Programs during the COVID-19 Public Health Emergency
- Bulletin #20-21-13, DHS Announces a Change to Processing PARIS Interstate Matches for MHCP Enrollees During the COVID-19 Public Health Emergency

Prior versions of EPM sections are available upon request. This manual consolidates and updates eligibility policy previously found in the Health Care Programs Manual (HCPM) and Insurance Affordability Programs Manual (IAPM). Prior versions of policy from the HCPM and IAPM are available upon request.

Refer to the EPM Archive for archived sections of the EPM.

Contact Us

Direct questions about the Minnesota Health Care Programs Eligibility Policy Manual to the DHS Health Care Eligibility and Access (HCEA) Division, P.O. Box 64989, 540 Cedar Street, St. Paul, MN 55164-0989, call (888) 938-3224 or fax (651) 431-7423.

Health care eligibility workers must follow agency procedures to submit policy-related questions to HealthQuest.

Legal Authority

Many legal authorities govern Minnesota Health Care Programs, including but not limited to: Title XIX of the Social Security Act; Titles 26, 42 and 45 of the Code of Federal Regulations; and Minnesota Statutes chapters 256B and 256L. In addition, DHS has obtained waivers of certain federal regulations from the Centers for Medicare & Medicaid Services (CMS). Each topic in the EPM includes applicable legal citations at the bottom of the page.

DHS has made every effort to include all applicable statutes, laws, regulations and other presiding authorities; however, erroneous citations or omissions do not imply that there are no applicable legal citations or other presiding authorities. The EPM provides program eligibility policy and should not be construed as legal advice.

Published: ~~December~~ January 1, 2021
Previous Versions
Manual Letter #20.4, December 1, 2020
Manual Letter #20.3, September 1, 2020
Manual Letter #20.2, June 1, 2020
Manual Letter #20.1 March 1, 2020
Manual Letter #19.7, December 1, 2019
Manual Letter #19.6, November 1, 2019
Manual Letter #19.5, September 1, 2019
Manual Letter #19.4, August 7, 2019
Manual Letter #19.3, June 1, 2019
Manual Letter # 19.2, April 1, 2019
Manual Letter #19.1, January 1, 2019
Manual Letter #18.5, December 1, 2018
Manual Letter #18.4, September 1, 2018
Manual Letter #18.3, June 1, 2018
Manual Letter #18.2, April 1, 2018
Manual Letter #18.1, January 1, 2018
Manual Letter #17.5, December 1, 2017
Manual Letter #17.4, September 1, 2017
Manual Letter #17.3, August 1, 2017
Manual Letter #17.2, June 1, 2017
Manual Letter #17.1, April 1, 2017
Manual Letter #16.4, December 22, 2016
Manual Letter #16.3, September 1, 2016
Manual Letter #16.1, June 1, 2016 (Original Version)

Archive Information

- Publication date: December 1, 2020
- Archived date: January 1, 2021
- Links:
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B. Section 2.1.1.2.3 Medical Assistance (MA) Cost Sharing

Medical Assistance

2.1.1.2.3 Cost Sharing

Cost sharing includes those costs a Medical Assistance (MA) enrollee pays towards their health care. MA cost sharing includes deductibles, medical visit and prescription copays. Some enrollees also have premiums, spenddowns, waiver obligations or parental fees.

Deductibles and Copays

Adults age 21 or older have:

- A monthly deductible
- Copays for non-preventative visits
- Copays for nonemergency emergency room (ER) visits
- Copays for prescription drugs

Pregnant women, American Indians and Alaska Natives, people in hospice care, people enrolled in MA for women with breast or cervical cancer, Refugee MA enrollees and people in long-term care facilities have no deductibles or copays.

Monthly copays and deductibles are limited to 5 percent of family income.

See Summary of Coverage, Cost Sharing and Limits (DHS-3860) for more information.

Premiums

Premiums are a bill enrollees pay monthly for their health care. MA for Employed Persons with Disabilities (MA-EPD) enrollees have a monthly premium. See the MA-EPD Premium policy for more information.

Spenddowns

A spenddown is a cost-sharing approach that allows MA eligibility for people whose income exceeds financial eligibility requirements. Federal rules refer to this population as "medically needy." MA enrollees can become income eligible for MA by "spending down" their excess income to the appropriate income limit. The excess income is reduced by deducting certain medical expenses.

There are two types of spenddowns.

Medical Spenddown

Medical Spenddowns are for enrollees that live in the community. Not all MA bases of eligibility offer MA with a medical spenddown. See the MA for Families With Children (MA-FCA) Medical Spenddown policy and the MA for People Who are Age 65 and Older, Blind or Disabled Medical Spenddown policy for more information.

Long-Term Care Spenddown

Some enrollees eligible for the payment of long-term care services may be obligated to contribute toward the cost of services. The amount of income that a person is obligated to contribute to the cost of LTC services is based on basis of eligibility and household composition.

Not all MA bases of eligibility require enrollees contribute toward the cost of long-term care facility services (nursing facility). See the MA for Long Term Care Services chapter for more information.

Parental Fees

Parents may be liable for a fee to reimburse part of their children's costs if their income is not considered in determining MA eligibility for their disabled children. Parental fees apply to children receiving MA through the TEFRA option, ~~and~~ children receiving home and community based waiver services, children placed in a Regional Treatment Center, when MA pays the cost of care, and children in 24-hour out-of-home placement. See the MA TEFRA subchapter and MA for Long-Term Care Services Home and Community-Based Service Waivers subsection for more information.

County, tribal or state servicing agencies may assess parental fees when a child lives apart from both parents or when a child has a non-custodial parent. ~~See the MA Medical Support policy for more information.~~

Parents are not responsible for a parental fee in any of the following circumstances:

- Parental rights have been terminated.
- The child on MA is an emancipated minor.
- The child receives state or Title IV-E adoption assistance.

The Minnesota Department of Human Services (DHS) collects parental fees. The child's, county, tribal or state servicing agency must make a referral to the DHS parental fee unit. The county, tribal or state servicing agency sends the Important Notice and Parental Fee Worksheet (DHS-2977) to parents.

Parental Fee Amount

DHS uses the birth and adoptive parent's adjusted gross income (AGI) as reported on the previous year's federal tax return to compute parental fees.

Parents can estimate the amount of the parental fee using the worksheet and information on DHS-2977.

Once a parental fee has been assessed, parents will receive a determination order that indicates what the parental fee is for the fiscal year and the amount of monthly payments.

Parental fees are reassessed each fiscal year due to annual changes in the FPG or changes in AGI or family size. Parents must tell DHS when there is a change in household size, the child leaves the home, other health insurance coverage starts or stops, or there is change in monthly income in excess of 10%. The parents can send a letter to:

Department of Human Services
Financial Operations Division
PO Box 64171
St. Paul, MN 55164-0171

Undue Hardship

Parents may send a letter to DHS to request a change to the parental fee when they incur any of the following expenses, not reimbursed by any public or private sector:

- Payments for medical expenses not covered by MA or health insurance, but that would be allowable as a federal tax deduction under the Internal Revenue Code.
- Expenditures for adaptations to the parents' vehicle that are necessary to accommodate the child's medical needs and are a type that would be allowable as a federal tax deduction under the Internal Revenue Code.
- Expenditures for physical adaptations to the child's home that are necessary to accommodate the child's physical, behavioral, or sensory needs and are a type that would be allowable as a federal tax deduction under the Internal Revenue Code.
- Unexpected, sudden or unusual expenditures by the parents since the last renewal or within the past 12 months that are not reimbursed by any type of insurance or civil action and which are a type allowable as a casualty loss deduction under the Internal Revenue Code.
- When a peculiar tax status creates a gross disparity between the amount of income allocated to them and the amount of the cash distributions made to them.

Non-Cooperation with Parental Fee Requirements

A child's MA coverage is not closed when a parent does not cooperate with parental fee requirements. Action may be taken against the parent in either of the following circumstances:

- Refusal to submit the necessary information to DHS in determining a fee can result in a bill for the full reimbursement cost of MA services.
- Failure to pay the parental fee can result in the account being turned over to a collection agency, garnishment of wages, or taking the parent's state tax refund

Waiver Obligations

A waiver obligation is the amount a person is obligated to contribute toward the cost of home and community based waiver services. People age 65 and older, receiving Elderly Waiver (EW) services, with income above the Special Income Standard Elderly Waiver (SIS-EW) maintenance needs allowance pay a waiver obligation. The waiver obligation is based on actual income and deductions in a given month. See the Home and Community-Based Waiver for People Age 65 or Older subsection for more information.

Legal Citations

[Code of Federal Regulations, title 42, section 412.424](#)

[Code of Federal Regulations, title 42, section 435.225](#)

[Code of Federal Regulations, title 42, section 447.55](#)

[Minnesota Rules, part 9550, subpart 6200-6240](#)

[Minnesota Statutes, section 252.27](#)

[Minnesota Statutes, section 256B.14](#)

[Minnesota Statutes, section 256B.057](#)

[Minnesota Statutes, section 256B.063](#)

[Minnesota Statutes, section 256B.0631](#)

Published: ~~June~~ January 1, 2021
[Previous Versions](#)
[Manual Letter #16.1, June 1, 2016](#)

Archive Information

- Publication date: June 1, 2016
- Archived date: January 1, 2021
- Links:
 - [Archived page](#)
 - [Revised page](#)

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C. Section 2.3.6.1.2 Medical Assistance under the TEFRA Option Parental Fees

Medical Assistance under the TEFRA Option

2.3.6.1.2 Parental Fees

Medical Assistance (MA) under the TEFRA option is for children with a disability who are otherwise ineligible for MA because household income is above the MA for Families with Children and Adults (MA-FCA) income limit. The TEFRA option for children with a disability is named after the Tax Equity and Fiscal Responsibility Act (TEFRA) of 1982 that created the option.

Because MA under the TEFRA option only considers the child's income in deciding eligibility, parents must share the cost of care by paying a parental fee. See the MA Cost Sharing policy for more information.

~~The Minnesota Department of Human Services (DHS) collects parental fees. The child's, county, tribal or state servicing agency must make a referral to the DHS parental fee unit. The county, tribal or state servicing agency sends the Important Notice and Parental Fee Worksheet (DHS-2977) to parents.~~

Parental Fee Amount

~~DHS uses the birth and adoptive parent's adjusted gross income (AGI) as reported on the previous year's federal tax return to compute parental fees.~~

~~Parents can estimate the amount of the parental fee using the worksheet and information on DHS-2977.~~

~~Parents receive a determination order that indicates what the parental fee is for the fiscal year and the amount of monthly payments.~~

~~Parental fee amounts can change each fiscal year due to annual changes in the FPG or changes in AGI or family size. Parents have the obligation to tell DHS when there is a change in household size, the child leaves the home, other health insurance coverage starts or stops, or there is change in monthly income in excess of 10%. The parents can send a letter to:~~

~~Department of Human Services
Financial Operations Division
PO Box 64174
St. Paul, MN 55164-0174~~

Parents of TEFRA enrollees are not required to re-verify their income at the TEFRA renewal.

Undue Hardship

Parents may request a change to the parental fee when they incur any of the following expenses, not reimbursed by any public or private sector by sending a letter to DHS:

- ~~Payments for medical expenses not covered by MA or health insurance, but that would be allowable as a federal tax deduction under the Internal Revenue Code.~~
- ~~Expenditures for adaptations to the parents' vehicle that are necessary to accommodate the child's medical needs and are a type that would be allowable as a federal tax deduction under the Internal Revenue Code.~~
- ~~Expenditures for physical adaptations to the child's home that are necessary to accommodate the child's physical, behavioral, or sensory needs and are a type that would be allowable as a federal tax deduction under the Internal Revenue Code.~~
- ~~Unexpected, sudden or unusual expenditures by the parents since the last renewal or within the past 12 months that are not reimbursed by any type of insurance or civil action and which are a type allowable as a casualty loss deduction under the Internal Revenue Code.~~
- ~~When a peculiar tax status creates a gross disparity between the amount of income allocated to them and the amount of the cash distributions made to them.~~

~~Non-Cooperation with Parental Fee Requirements~~

~~A child's MA coverage is not closed when a parent does not cooperate with parental fee requirements. Action may be taken against the parent in either of the following circumstances:~~

- ~~Refusal to submit the necessary information to DHS in determining a fee can result in a bill for the full reimbursement cost of MA services.~~
- ~~Failure to pay the parental fee can result in the account being turned over to a collection agency, garnishment of wages, or taking the parent's state tax refund.~~

Legal Citations

Code of Federal Regulations, title 42, section 1396A, subdivision e

Code of Federal Regulations, title 42, section 435.225

Code of Federal Regulations, title 42, section 412.424

Minnesota Rules, part 9550, subpart 6200-6240

Minnesota Statutes, section 252.27

Minnesota Statutes, section 256B.14

The Tax Equity and Fiscal Responsibility Act (TEFRA), Public Law 97-248, section 134

Published: ~~November~~ January 1, 2021
Previous Versions
Manual Letter #19.6, November 1, 2019
Manual Letter #16.1, June 1, 2016 (Original Version)

Archive Information

- Publication date: June 1, 2016
- Archived date: January 1, 2021
- Links:
 - [Archived page](#)
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D. Section 2.4.2.3.1 Home and Community-Based Services Waivers for People with Disabilities

Medical Assistance for Long-Term Care Services

2.4.2.3.1 Home and Community-Based Services Waivers for People with Disabilities

Home and Community-Based Services (HCBS) waivers for people with disabilities include the following HCBS waivers:

- Brain Injury (BI)
- Community Alternative Care (CAC)
- Community Access for Disability Inclusion (CADI)
- Developmental Disabilities (DD)

This section discusses rules for determining a person's household composition and family size. It also discusses the income limits and methodology used to determine income eligibility for HCBS waivers for people with disabilities.

Household Composition and Family Size

Household composition means the people included in a person's household. Household composition determines the family size. Household composition and family size are factors used to determine financial eligibility.

Household composition and family size are determined for each person separately and may be different for each person on an application or in a household.

The HCBS waiver programs allow a child or a married person to be treated as a household of one, and have only their own income and assets count in their special rules to be applied to people who are not eligible for Medical Assistance (MA) eligibility determination, when they are otherwise not eligible using the regular household composition, income and asset deeming rules for MA for People Who Are Age 65 or Older and People Who Are Blind or Have a Disability (MA-ABD). These people are treated as a household of one, and only their income counts.

The parents of children who are eligible for one of the HCBS waiver programs may need to pay a parental fee.

If a person enrolled in MA for Employed Persons with Disabilities (MA-EPD) requests HCBS waivers, the MA-EPD family size rules are used.

Income Limits and Methodology

The MA-ABD income limits and methodology are used to determine eligibility for MA for Long-Term Care Services (MA-LTC) through the HCBS waivers for people with disabilities. However, if the person is enrolled in MA-EPD, the MA-EPD income limits and methodology rules are used.

Legal Citations

Minnesota Statutes, section 256B.056

Minnesota Statutes, section 256B.0913

Minnesota Statutes, section 256B.092

Minnesota Statutes, section 256B.093

Minnesota Statutes, section 256B.49

Published: ~~June~~ January 1, 2021

Previous Versions

Manual Letter #18.2, April 1, 2018

Manual Letter #17.2, June 1, 2017

Manual Letter #16.3, September 1, 2016

Manual Letter #16.1, June 1, 2016 (Original Version)

Archive Information

- Publication date: June 1, 2016
- Archived date: January 1, 2021
- Links:
 - [Archived page](#)
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E. Appendix C Medicare Cost Sharing Amounts

Appendix C

Medicare Cost Sharing Amounts

This appendix provides cost sharing amounts for Medicare.

Medicare Part A Cost Sharing Amounts

Cost Type	2019	2020	2021
Premium	Varies	Varies	<u>Varies</u>
Deductible	\$1,364	\$1,408	<u>\$1,484</u>
Hospital Coinsurance days 61-90	\$341	\$352	<u>\$371</u>
Hospital Coinsurance days 91-150	\$682	\$704	<u>\$742</u>
Skilled Nursing Facility Coinsurance days 1-20	\$0	\$0	<u>\$0</u>
Skilled Nursing Facility Coinsurance days 21-100	\$170.50	\$176	<u>\$185.50</u>

Medicare Part B Cost Sharing Amounts

Cost Type	2019	2020	2021
All Other Premium Amounts	Varies	Varies	<u>Varies</u>
Deductible	\$185	\$198	<u>\$203</u>
MSHO and SNBC plans that will pay the portion listed of the Medicare Part B Premium	None	None	

Medicare Part D Cost Sharing Amounts

For information about which Medicare Part D plans in Minnesota are benchmark plans, refer to the 2018 Resources section in ONEsource for the Amounts in Excess of Medicare Part D Benchmark to Apply as Medical Expense document. The document also provides the amount a person pays out of pocket for non-benchmark plans.

Standard Benefit Information

Cost Type	2019	2020	<u>2021</u>
Premium	Varies	Varies	<u>Varies</u>
Annual Deductible	\$415	\$435	<u>\$445</u>
Coinsurance Costs	25% of drug costs between \$415.01 and \$3,820 (Cap of \$7,653.75)	25% of drug costs between \$435.01 and \$4,020 (Cap of \$9,038.75)	<u>25% of drug costs between \$445.01 and \$4,130 (Cap of \$6,550)</u>
Coverage Gap Costs	100% of costs between the initial coverage limit based on drug costs between \$3,820.01 and \$7,653.75. <ul style="list-style-type: none"> • 75% discount on brand name drugs • 63% discount on generic drugs 	100% of costs between the initial coverage limit based on drug costs between \$4,020.01 and \$9,038.75. <ul style="list-style-type: none"> • 75% discount on brand name drugs • 63% discount on generic drugs 	<u>100% of costs between the initial coverage limit based on drug costs between \$4,130.01 and \$6,550.</u> <ul style="list-style-type: none"> • <u>75% discount on brand name drugs</u> • <u>75% discount on generic drugs</u>
Copayments	 <ul style="list-style-type: none"> • \$3.40 generic drugs • \$8.50 brand name drugs 	<ul style="list-style-type: none"> • \$3.60 generic drugs • \$8.95 brand name drugs 	<ul style="list-style-type: none"> • <u>\$3.70 generic drugs</u> • <u>\$9.20 brand name drugs</u>

Extra Help Full Subsidy Information

Cost Type	2019	2020	<u>2021</u>
Premium	\$0	\$0	<u>\$0</u>
Annual Deductible	\$0	\$0	<u>\$0</u>
Coinsurance Costs	None	None	<u>None</u>
Coverage Gap Costs	None	None	<u>None</u>
Copayments	< 100% FPG <ul style="list-style-type: none"> • \$1.25 generic drugs • \$3.80 brand name drugs 	< 100% FPG <ul style="list-style-type: none"> • \$1.30 generic drugs • \$3.90 brand name drugs 	<u><100% FPG</u> <ul style="list-style-type: none"> • <u>\$1.30 generic drugs</u> • <u>\$4.20 brand name drugs</u>

Extra Help Partial Subsidy Information

Cost Type	2019	2020	<u>2021</u>
Premium	Sliding scale premiums	Sliding scale premiums	<u>Sliding scale premiums</u>
Annual Deductible	\$85	\$89	<u>\$92</u>
Coinsurance Costs	15%	15%	<u>15%</u>
Coverage Gap Costs	None	None	<u>None</u>
Copayments	<ul style="list-style-type: none"> • \$3.40 generic drugs • \$8.50 brand name drugs 	<ul style="list-style-type: none"> • \$3.60 generic drugs • \$8.95 brand name drugs 	<ul style="list-style-type: none"> • <u>\$3.70 generic drugs</u> • <u>\$9.20 brand name drugs</u>

Published: ~~December~~ January 1, 2021

Previous Versions

Manual Letter #19.7, December 1, 2019

Manual Letter #18.1, January 1, 2018

Manual Letter #16.1, June 1, 2016 (Original Version)

Archive Information

- Publication date: December 1, 2019
- Archived date: January 1, 2021
- Links:
 - [Archived page](#)
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F. Appendix F Standards and Guidelines

Appendix F

Standards and Guidelines

This appendix provides figures used to determine eligibility for a person, or in a specific calculation completed to determine eligibility.

Community Spouse Allowances

The Community Spouse Allowances are used when determining the long-term care (LTC) income calculation's community spouse allocation.

Basic Shelter Allowance

The Basic Shelter Allowance is used to determine if the community spouse has any excess shelter expenses.

Effective Dates	Basic Shelter Allowance
July 1, 2020 to June 30, 2021	\$647
July 1, 2019 to June 30, 2020	\$635

Maximum Monthly Income Allowance

The Maximum Monthly Income Allowance, along with the Minimum Monthly Income Allowance, is used to determine the community spouse's monthly maintenance needs amount.

Effective Dates	Maximum Monthly Income Allowance
<u>January 1, 2021 to December 31, 2021</u>	<u>\$3,259.50</u>
January 1, 2020 to December 31, 2020	\$3,216
January 1, 2019 to December 31, 2019	\$3,160.50

Minimum Monthly Income Allowance

The Minimum Monthly Income Allowance, along with the Maximum Monthly Income Allowance, is used to determine the community spouse's monthly maintenance needs amount.

Effective Dates	Minimum Monthly Income Allowance
July 1, 2020 to June 30, 2021	\$2,155
July 1, 2019 to June 30, 2020	\$ 2,115

Utility Allowance

The Utility Allowance is allowed as a shelter expense if the community spouse is responsible for heating or cooling costs.

Effective Dates	Utility Allowance
October 1, 2020 to September 30, 2021	\$496
October 1, 2019 to September 30, 2020	\$490

The Electricity and Telephone Allowances are allowed as shelter expenses if the community spouse is not responsible for heating or cooling expenses, but is responsible for electricity or telephone expenses.

Effective Dates	Electricity Allowance
October 1, 2020 to September 30, 2021	\$154
October 1, 2019 to September 30, 2020	\$143

Effective Dates	Telephone Allowance
October 1, 2020 to September 30, 2021	\$56
October 1, 2019 to September 30, 2020	\$49

Federal Poverty Guidelines

The federal poverty guidelines (FPG) are used to determine income eligibility for the Minnesota Health Care Programs (MHCP).

Refer to Insurance and Affordability Programs (IAPs) Income and Asset Guidelines (DHS-3461A) for the current FPG.

Home Equity Limit

The Home Equity Limit is applied only in specific situations and at certain times.

Effective Dates	Home Equity Limit
<u>January 1, 2021 to December 31, 2021</u>	<u>\$603,000</u>
January 1, 2020 to December 31, 2020	\$595,000
January 1, 2019 to December 31, 2019	\$585,000

IRS Mileage Rate

The IRS mileage rate is used in many calculations to determine eligibility or reimbursement costs.

Effective Dates	IRS Mileage Rate
January 1, 2020 to December 31, 2020	57.5 cents
January 1, 2019 to December 31, 2019	58 cents

Long-Term Needs Allowances

The LTC needs allowances provide figures for needs allowances used in the LTC income calculation and for determining the community spouse or family allocation amounts.

Clothing and Personal Needs Allowance

The Clothing and Personal Needs Allowance is used when the enrollee is not eligible for any of the other LTC needs allowances.

Effective Dates	Clothing and Personal Needs Allowance
<u>January 1, 2021 to December 31, 2021</u>	<u>\$105</u>
January 1, 2020 to December 31, 2020	\$104
January 1, 2019 to December 31, 2019	\$102

Home Maintenance Allowance

The Home Maintenance Allowance can be deducted from a person's LTC income calculation if certain conditions are met.

Effective Dates	Home Maintenance Allowance
July 1, 2020 to June 30, 2021	\$1,064
July 1, 2019 to June 30, 2020	\$1,041

Special Income Standard for Elderly Waiver Maintenance Needs Allowance

The Special Income Standard for Elderly Waiver (SIS-EW) maintenance needs allowance is used in the LTC income calculation for persons who have income at or below the Special Income Standard (SIS).

Effective Dates	Maintenance Needs Allowance
July 1, 2020 to June 30, 2021	\$1,038
July 1, 2019 to June 30, 2020	\$1,024

Maximum Asset Allowance

The Maximum Asset Allowance is used for the community spouse asset allowance for an asset assessment.

Effective Dates	Minimum	Maximum
<u>January 1, 2021 to December 31, 2021</u>	<u>No minimum</u>	<u>\$130,380</u>
January 1, 2020 to December 31, 2020	No minimum	\$128,640
January 1, 2019 to December 31, 2019	No minimum	\$126,420

MinnesotaCare Premium Amounts

MinnesotaCare premiums are calculated using a sliding fee scale based on household size and annual income.

Refer to MinnesotaCare Premium Estimator Table (DHS-4139) for information about MinnesotaCare premiums. The table provides an estimate of the premium before receiving the actual bill. The premium calculated by the system and listed on the bill is the official calculation and the amount to be paid.

Pickle Disregard

The Pickle Disregard is a disregard of the Retirement, Survivors and Disability Insurance (RSDI) cost of living adjustment (COLA) amounts for Medical Assistance (MA) Method B and the Medicare Savings Programs (MSP).

Effective Date	Pickle Disregard
<u>January 1, 2021 to December 31, 2021</u>	<u>1.013</u>
January 1, 2020 to December 31, 2020	1.016
January 1, 2019 to December 31, 2019	1.028

Remedial Care Expense

The Remedial Care Expense deduction amount can be used as a health care expense when meeting a spenddown or as an income deduction in an LTC income calculation.

Effective Dates	Remedial Care Expense
<u>January 1, 2021 to June 30, 2021</u>	<u>\$177</u>
July 1, 2020 to December 31, 2020	\$176
January 1, 2020 to June 30, 2020	\$182

Roomer and Boarder Standard Amount

The Roomer and Boarder Standard income is used in calculating the amount of self-employment income a person who rents or boards another person has to add to the MA Method A income calculation.

Roomer and Boarder Standard	Amount
Roomer Amount	\$71
Boarder Amount	\$155
Roomer plus Boarder Amount	\$226

Special Income Standard

The Special Income Standard (SIS) is used to determine certain criteria for the Elderly Waiver (EW) Program.

Effective Dates	SIS
<u>January 1, 2021 to December 31, 2021</u>	<u>\$2,382</u>
January 1, 2020 to December 31, 2020	\$2,349
January 1, 2019 to December 31, 2019	\$2,313

Statewide Average Payment for Skilled Nursing Facility Care

The statewide average payment for skilled nursing facility (SAPSNF) care amount is used to determine a transfer penalty for MA. The SAPSNF is updated annually in July.

Effective Dates	SAPSNF
July 1, 2020 to June 30, 2021	\$8,412
July 1, 2019 to June 30, 2020	\$7,960

Student Earned Income Exclusion

The Student Earned Income Exclusion is a disregard of earned income for people who are under age 22 and regularly attending school. It is only available for MA Method B and MSP.

Effective Date	Monthly	Annual
<u>January 1, 2021 to December 31, 2021</u>	<u>\$1,930</u>	<u>\$7,770</u>
January 1, 2020 to December 31, 2020	\$1,900	\$7,670
January 1, 2019 to December 31, 2019	\$1,870	\$7,550

Supplemental Security Income Maximum Payment Amount

These figures are the maximum benefit amounts for people eligible for Supplemental Security Income (SSI). A person's SSI benefit amount is based on the income of the person and certain responsible household members.

SSI benefit payments may be deducted from the LTC income calculation if the person qualifies for the Special SSI Deduction.

Effective Date	Individual
<u>January 1, 2021 to December 31, 2021</u>	<u>\$794</u>
January 1, 2020 to December 31, 2020	\$783
January 1, 2019 to December 31, 2019	\$771

Effective Date	Couple
<u>January 1, 2021 to December 31, 2021</u>	<u>\$1,191</u>
January 1, 2020 to December 31, 2020	\$1,175
January 1, 2019 to December 31, 2019	\$1,157

Tax Filing Income Threshold For Children and Tax Dependents

The tax filing income threshold refers to the income level at which a person must file a federal income tax return. The thresholds for tax dependents determines whether a child's or tax dependents income is counted or excluded when calculating household income for MA-FCA and MinnesotaCare eligibility.

The income threshold for tax filing varies based on the tax dependents age and marital status and whether the person is blind. If a child or tax dependent has income at or below these thresholds, his or her income will not count toward the household income for MA-FCA and MinnesotaCare eligibility.

The income threshold applies to the taxable income that a child or tax dependent is expected to receive in the tax year. Nontaxable income, such as Supplemental Security Income (SSI) and veteran's benefits, is not included in determining whether a child's or tax dependent's income is at or below the income threshold. Any nontaxable portion of a child's Social Security dependent or survivor benefits is not included.

The income thresholds for children and tax dependents are:

Tax Filing Income Thresholds for Tax Dependents

Marital Status	Age over 65?	Blind?	Income Type	2019 Tax Year Threshold Amount	2020 Tax Year Threshold Amount	2021 Tax Year Threshold Amount
Single	No	No	Earned Income	\$12,000	\$12,200	<u>\$12,400</u>
Single	No	No	Unearned Income	\$1,050	\$1,100	<u>\$1,100</u>
Single	No	No	Gross Income	Larger of \$1,050 or Earned Income Reported up to \$11,650 + \$350	Larger of \$1,100 or Earned Income Reported up to \$11,850 + \$350	<u>Larger of \$1,100 or Earned Income Reported up to \$12,050 + \$350</u>
Single	Yes	No	Earned Income	\$13,600	\$13,850	<u>\$14,050</u>
Single	Yes	No	Unearned Income	\$2,650	\$2,750	<u>\$2,750</u>
Single	Yes	No	Gross Income	Larger of \$2,650 or Earned Income Reported up to \$11,650 + \$1,950	Larger of \$2,750 or Earned Income Reported up to \$11,850 + \$2,000	<u>Larger of \$2,750 or Earned Income Reported up to \$12,050 + \$2,000</u>
Single	No	Yes	Earned Income	\$13,600	\$13,850	<u>\$14,050</u>
Single	No	Yes	Unearned Income	\$2,650	\$2,750	<u>\$2,750</u>
Single	No	Yes	Gross Income	Larger of \$2,650 or Earned Income Reported up to \$11,650 + \$1,950	Larger of \$2,750 or Earned Income Reported up to \$11,850 + \$2,000	<u>Larger of \$2,750 or Earned Income Reported up to \$12,050 + \$2000</u>
Single	Yes	Yes	Earned Income	\$15,200	\$15,500	<u>\$15,700</u>

Marital Status	Age over 65?	Blind?	Income Type	2019 Tax Year Threshold Amount	2020 Tax Year Threshold Amount	2021 Tax Year Threshold Amount
Single	Yes	Yes	Unearned Income	\$4,250	\$4,400	<u>\$4,400</u>
Single	Yes	Yes	Gross Income	Larger of \$4,250 or Earned Income Reported up to \$11,650 + \$3,550	Larger of \$4,400 or Earned Income Reported up to \$11,850 + \$3,650	<u>Larger of \$4,400 or Earned Income Reported up to \$12,050 + \$3,650</u>
Married	No	No	Earned Income	\$12,000	\$12,200	<u>\$12,400</u>
Married	No	No	Unearned Income	\$1,050	\$1,100	<u>\$1,100</u>
Married	No	No	Gross Income	Larger of \$1,050 or Earned Income Reported up to \$11,650 + \$350	Larger of \$1,100 or Earned Income Reported up to \$11,850 + \$350	<u>Larger of \$1,100 or Earned Income Reported up to \$12,050 + \$350</u>
Married	Yes	No	Earned Income	\$13,300	\$13,500	<u>\$13,700</u>
Married	Yes	No	Unearned Income	\$2,350	\$2,400	<u>\$2,400</u>
Married	Yes	No	Gross Income	Larger of \$2,350 or Earned Income Reported up to \$11,650 + \$1,650	Larger of \$2,400 or Earned Income Reported up to \$11,850 + \$1,650	<u>Larger of \$2,400 or Earned Income Reported up to \$12,050 + \$1,650</u>
Married	No	Yes	Earned Income	\$13,300	\$13,500	<u>\$13,700</u>
Married	No	Yes	Unearned Income	\$2,350	\$2,400	<u>\$2,400</u>

Marital Status	Age over 65?	Blind?	Income Type	2019 Tax Year Threshold Amount	2020 Tax Year Threshold Amount	<u>2021 Tax Year</u> <u>Threshold Amount</u>
Married	No	Yes	Gross Income	Larger of \$2,350 or Earned Income Reported up to \$11,650 + \$1,650	Larger of \$2,400 or Earned Income Reported up to \$11,850 + \$1,650	<u>Larger of \$2,400 or Earned Income Reported up to \$12,050 + \$1,650</u>
Married	Yes	Yes	Earned Income	\$14,600	\$14,800	<u>\$15,000</u>
Married	Yes	Yes	Unearned Income	\$3,650	\$3,700	<u>\$3,700</u>
Married	Yes	Yes	Gross Income	Larger of \$3,650 or Earned Income Reported up to \$11,650 + \$2,950	Larger of \$3,700 or Earned Income Reported up to \$11,850 + \$2,950	<u>Larger of \$3,700 or Earned Income Reported up to \$12,050 + \$2,950</u>

Published: ~~September~~ January 1, 2021

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Manual Letter #20.1, March 4, 2020

January 14, 2020

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Archive Information

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