461-160-0620 **Effective 7-06-26**

Income Deductions and Patient Liability; Long-Term Care Services or Home and Community-Based Care; OSIPM

In the Oregon Supplemental Income Program Medical (OSIPM):

(1) Deductions from income are made for an individual residing in or entering a long-term care facility or receiving *home and community-based care* (see OAR 461-001-0030) as explained in subsections (3)(a) to (3)(h) of this rule.

(2) The liability of an individual is determined according to subsection (3)(i) of this rule, except as provided otherwise in OAR 461-160-0610.

(3) Deductions are made in the following order:

(a) One standard earned income deduction of $65 is made from the earned income in the OSIPM program.

(b) The deductions under the plan for self-support as allowed by OAR 461-145-0405.

(c) One of the following need standards:

(A) A $81.28 personal needs allowance for an individual receiving long-term care services.

(B) A $90 personal needs allowance for an individual receiving long-term care services who is eligible for Veterans Administration (VA) benefits based on unreimbursed medical expenses. The $90 allowance is allowed only when the VA benefit has been reduced to $90.

(C) For an individual who receives *home and community-based care*:

(i) Except as provided in subparagraph (ii) of this paragraph, the OSIPM maintenance standard.

(ii) For an individual who receives in-home services, the OSIPM maintenance standard plus $500.

(d) A *community spouse* (see OAR 461-001-0030) monthly income allowance is deducted from the income of the *institutionalized spouse* (see OAR 461-001-0030) to the extent that the income is made available to or for the benefit of the *community spouse*, using the following calculation.

(A) Step 1--Determine the maintenance needs allowance. $2,705.00 is added to the amount over $811.50 that is needed to pay monthly shelter expenses for the principal residence of the couple. This sum or $4,066.50, whichever is less, is the maintenance needs allowance. For the purpose of this calculation, shelter expenses are the rent or home mortgage payment (principal and interest), taxes, insurance, required maintenance charges for a condominium or cooperative, and the full standard utility allowance for the Supplemental Nutrition Assistance Program (SNAP) (see OAR 461-160-0420). If an all-inclusive rate covers items that are not allowable shelter expenses, including meals or housekeeping in an assisted living facility, or the rate includes utilities, to the extent they can be distinguished, these items must be deducted from the all-inclusive rate to determine allowable shelter expenses.

(B) Step 2--Compare maintenance needs allowance with community spouse's countable income. The *countable* (see OAR 461-001-0000) income of the *community spouse* is subtracted from the maintenance needs allowance determined in step 1. The difference is the income allowance unless the allowance described in step 3 is greater.

(C) Step 3--If a spousal support order or exceptional circumstances resulting in significant financial distress require a greater income allowance than that calculated in step 2, the greater amount is the allowance.

(e) A dependent income allowance for an *eligible dependent* (see OAR 461-001-0030) as follows:

(A) For a case with a *community spouse*, a deduction is permitted only if the monthly income of the eligible dependent is below $2,705.00. To determine the income allowance of each eligible dependent:

(i) The monthly income of the eligible dependent is deducted from $2,705.00.

(ii) One-third of the amount remaining after the subtraction in paragraph (A) of this subsection is the income allowance of the eligible dependent.

(B) For a case with no *community spouse*:

(i) The allowance is the Temporary Assistance for Needy Families (TANF) adjusted income standard (see OAR 461-155-0030) for the individual and eligible dependents.

(ii) The TANF standard is not reduced by the income of the dependent.

(f) Costs for maintaining a home if the individual meets the criteria in OAR 461-160-0630.

(g) Medical deductions allowed by OAR 461-160-0030 and 461-160-0055 are made for costs not covered under the state plan.

(h) After taking all the deductions allowed by this rule, the remaining balance is the *adjusted income* (see OAR 461-001-0000).

(i) The individual's liability is determined as follows:

(A) For an individual receiving *home and community-based care* (except individuals identified in section (2) of this rule), the liability is the actual cost of the *home and*

community-based care or the *adjusted income* of the individual, whichever is less. This amount must be paid to the Department or the *home and community-based care* facility each month as a condition of being eligible for *home and community-based care*.

(B) For an individual who resides in a nursing facility, the liability is the actual cost of services or the *adjusted income* of the individual, whichever is less. This amount must be paid to the facility each month as a condition of being eligible for nursing facility services.

Statutory/Other Authority: ORS 409.050, 411.060, 411.070, 411.404, 411.706, 413.085, 414.065, 414.685
Statutes/Other Implemented: ORS 409.010, 411.060, 411.070, 411.404, 411.706, 413.085, 414.065, 414.685, 42 USC 1396r-5, 42 CFR 435.725 – 435.735

Previous Rules

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