

9050.0720 CALCULATION OF NET INCOME; DEDUCTIONS FROM INCOME.

Subpart 1. **Calculation method.** The facility financial staff shall calculate the net income of an applicant or resident by totaling all sources of gross income identified in part 9050.0710 and subtracting from gross income the applicable deductions allowed in subpart 2.

Subp. 2. **Deductions from income of applicant or resident.** The facility financial staff shall deduct the expenses in this part and parts 9050.0730 and 9050.0740 from gross income to determine net income. Deductible items include:

A. state and federal income tax payments and withholdings consistent with the number of allowable exemptions;

B. FICA payments;

C. mandatory retirement fund payments;

D. actual reasonable unreimbursed expenses of child care necessary to earn an income and paid to anyone other than a parent of the child;

E. union dues;

F. professional association dues if they are required to obtain or retain employment;

G. health and dental insurance premiums, whether mandatory or voluntary, and supplemental health care premiums for the resident or applicant if cost-effective;

H. cost of uniforms, tools, and equipment used on the job that are required to retain a job but are not furnished by the employer;

I. cost of meals during employment hours for each day the person is employed;

J. public liability insurance premiums if they are required by the employer when an automobile is used in employment and the premiums are not paid by the employer;

K. court-ordered support payments actually paid directly by the applicant or resident or withheld by the employer and transferred to a child or spouse not living with the applicant or resident or to a different former spouse of the applicant or resident;

L. voluntary support payments for dependent spouse or household according to part 9050.0750;

M. Medicare insurance payments;

N. Medicaid spend down payments actually made according to part 9505.0065, subpart 11;

O. payment of documented medical expenses not related to long-term care, incurred prior to the person's admission to the facility operated by the commissioner of

veterans affairs, for which the person is legally responsible. For the purposes of this item, long-term care expense or debt includes expenses incurred for nursing homes, hospice care, home health care, foster care, adult day care, or similar nonacute care, that were incurred more than 30 days prior to the resident's admission;

P. educational expenses actually paid by the person that are not covered by United States Department of Veterans Affairs educational expense benefits or other government or private scholarships, loans, or grants if there is demonstrated progress by the person towards completion of an educational program as part of the person's individual care plan. If there is a dispute over whether or not an item is an educational expense, the administrator shall make a final determination of the issue;

Q. guardianship or conservatorship fees to the extent allowed by Minnesota law or by court order; and

R. cost of transportation related to employment. For the person who uses public transportation or takes part in a car pool, the facility financial staff shall deduct the fare or fee the person actually pays. For the person who uses a private motor vehicle, the facility financial staff shall deduct the amount per mile allowed on the most recent federal income tax return for actual miles driven for business purposes.

Statutory Authority: *MS s 198.003*

History: *14 SR 2355; 18 SR 2254; 28 SR 1251; L 2008 c 297 art 2 s 29*

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