

**NORTH DAKOTA DEPARTMENT OF HUMAN SERVICES  
BISMARCK, NORTH DAKOTA  
October 20, 2017**

**IM 5317**

**TO:** County Social Service Directors  
Economic Assistance Policy Regional Representatives  
Economic Assistance Policy Quality Control Reviewers

**FROM:** Carol Cartledge, Director, Economic Assistance

**SUBJECT:** Allowable Medical Expenses for the SNAP Program

**PROGRAMS:** SNAP

**EFFECTIVE:** Immediately

**SECTIONS  
AFFECTED:** Allowable Medical Expenses 430-05-20-20

Clarification and corrections have been added to this policy section. Additional policy has been added to this section for situations when households are applying for QMB, SLMB, QI-1 or the Buy-In Programs.

The reasonable cost of transportation and lodging to obtain medical treatment has also been updated.

**Allowable Medical Expenses 430-05-55-20-20**

The following is a **partial** listing of allowable medical costs:

1. Medical care provided by a licensed practitioner.
2. Dental care, including dentures and orthodontics.
3. Hospitalization, outpatient treatment and nursing care, including Home and Community Based Services (HCBS).

4. Nursing home care including payments by a **legally responsible** household member for an individual who was a household member immediately prior to entering a nursing home.
5. Prescription drugs when **prescribed** by a licensed practitioner and over-the-counter medication (including insulin) when approved by a licensed practitioner. This includes postage and handling costs associated with mail order prescription drugs.
6. The co-pays that Medicaid allows as a deduction in determining the monthly Recipient Liability.
7. The costs of prescribed medical supplies are allowed as a deduction. The following is a partial list:
  - Sick-room equipment (including rental).
  - Equipment added to a vehicle or home for a handicapped person.
  - The cost of building a ramp for a wheelchair.
  - Amplifiers and warning signals for handicapped individuals (medic-alert).
  - Typewriter equipment connected to a telephone for deaf individuals.

**Exception:**

**Computer purchased by a handicapped individual for learning purposes is not an allowable medical expense.**

8. Health and hospitalization insurance premiums.

Only the portion of a medical insurance premium assigned to the elderly or disabled household member is allowed when computing the deductible amount. If the policy does not define how much of the premium is for each insured household member, the **worker** must prorate the premium amount among all members insured on the policy. Only the prorated amount for the eligible elderly or disabled household member is allowed as a deduction. When health insurance premiums are an automatic deduction from a checking or savings account, the service fee charged by the bank is not an allowable deduction.

The cost of health, accident, cancer, nursing home and ambulance policies which state that the monies will be used to cover medical expenses are allowable medical expenses.

**Exception:**

**The costs of accident, cancer, or nursing home policies that do not state that the monies are intended for use to cover medical expenses.**

**Health or income maintenance policies payable in lump sum settlements for death or dismemberment or that continue mortgage or loan payments while the beneficiary is disabled are not allowed as a deduction.**

9. Medicare premiums, co-insurance, and deductibles.

**Exceptions:**

~~**A Medicare premium for an individual who is QMB/SLMB or Buy In for Medicaid is not an allowable medical expense for SNAP purposes as the household will be reimbursed for these premiums once it is no longer deducted from the Social Security check. The Medicare premium is no longer allowed when the QMB/SLMB application is approved and an alert is received verifying the premium is no longer being deducted.**~~

~~**Qualifying Individual 1 (QI-1) are entitled to payment of their Medicare Part B premium. The Medicare part B premium is not an allowable medical deduction.**~~

**If an individual is approved for QMB, SLMB, Buy In, or Qualifying Individual 1 (QI-1) in the same month a SNAP application is approved; the Medicare premium would be an allowable expense for the month of application and not allowed for the following month based on anticipated changes.**

**If a new application for SNAP and QMB, SLMB, Buy In, or QI-1 is processed in the second beginning month and they are approved for any of the coverages in the second beginning month, the premium would be an allowable expense for the month of application, second**

beginning month, and not allowed for the following month based on anticipated changes.

In an ongoing SNAP case, if the household applied for QMB, SLMB, Buy In, or QI-1 and is approved, the premium is an allowable expense until a system generated alert is received indicating the client is no longer paying the premium.

10. Hearing aids and prosthetics.
11. Securing and maintaining a service animal specifically trained to assist handicapped individuals, including the cost of food and veterinarian bills.
12. Eyeglasses and contact lenses prescribed by a licensed practitioner.
13. Reasonable cost of transportation and lodging to obtain medical treatment or services, including trips to a pharmacy, dental office, optometrist, etc. can be counted as a medical deduction up to the following amounts:
  - ~~\$0.57~~ \$53.5 per mile for mileage.
  - ~~\$74.23~~ \$83.70 plus tax for in-state lodging.

**EXCEPTION:**

**In-state lodging in Williams, Mountrail, and McKenzie County is \$84.60 plus tax.**

- ~~\$104.76 plus tax~~ Actual lodging expenses for out-of-state lodging.

These costs must be verified.

**Exception:**

**Meals are not an allowable expense for households who must travel to obtain medical care.**

14. Maintaining an attendant, homemaker, home health aide, child care services or housekeeper necessary due to age, infirmity, or illness. In addition, an amount equal to the Thrifty Food Plan for one-person is deducted if the household furnishes the majority of the attendant's meals.

The Thrifty Food Plan for this meal related deduction must be the benefit in effect at the time of initial certification. The **worker** is required to update the benefit amount at the next scheduled review. The **worker** has the option to do so earlier if the benefit changes before the next scheduled review.

If a household incurs attendant care costs that could qualify under both the medical deduction and dependent care deduction, the **worker** must treat the cost as a medical expense.

15. Child care expenses for a child receiving SSI that are necessary and identifiable.

**Example:**

Mom is not working and stays home to care for her disabled child receiving SSI. Mom takes the child to a child care facility while she runs errands, medical appointments, etc. The child care expense incurred is an allowable medical expense deduction.

16. Payments on loans for one-time medical expenses or medical expenses billed on a credit card are deductible, but the **interest** must not be allowed as part of the deduction.
17. Monthly Phone Fees for Medic Alert systems. The basic fee for the telephone which the system uses is handled as a utility expense.

**Example:**

Individual is charged \$20.00 per month by the phone company for a Medic Alert system and \$15.00 per month for basic phone service. The \$20.00 is allowed as a medical expense. The \$15.00 for basic telephone services is allowed as a utility expense.

18. Enrollment fees and monthly premiums paid by the household for the Medicaid Workers with Disabilities coverage.
19. Premiums, co-payments, co-insurance and deductibles paid by the household for Medicare Part D.
20. Premiums, paid by households for children with disabilities coverage.

**If you have any questions, please contact your Regional Representative.**