

0386 **INCOME GENERALLY**

0386.05 **INCOME STANDARDS - INSTITUTIONAL/WAIVER**

REV:03/2008

INDIVIDUAL/COUPLE INCOME STANDARDS

The following standards are used to determine income eligibility for an institutionalized individual or a waiver individual.

Income eligibility will exist if the individual's or couple's countable monthly income does not exceed the appropriate limit for the unit size.

- 0 Categorically Needy Income Limits;
- 0 Medically Needy Monthly Income Limits;
- 0 2008 Federal Poverty Level Income Guidelines
 (for Qualified Medicare Beneficiaries,
 Specified Low Income Medicare Beneficiaries and
 Qualified Disabled and Working Individuals).

CATEGORICALLY NEEDY NET MONTHLY INCOME LIMITS
FOR INSTITUTIONALIZED INDIVIDUALS

	INDIVIDUAL
COUPLE	
Living in a	
Nursing Facility or	
ICF-MR Facility	\$ 1,911.00
N/A	
Institutionalized Individual	
eligible for the	
Federal and State Supplement	50.00
100.00	

By Federal Law, to be eligible as Categorically Needy while living in a Nursing Facility or an ICF-MR Facility, an individual's gross income cannot exceed 300% of the Federal

SSI level of payment for an individual. This is the
FEDERAL CAP which is \$1,911.00 effective 01/01/2008.

MEDICALLY NEEDY MONTHLY INCOME LIMITS

1 Person	\$ 758.00	5 Persons	\$1,258.00
2 Persons	800.00	6 Persons	1,417.00
3 Persons	983.00	7 Persons	1,558.00
4 Persons	1,125.00	8 Persons	1,725.00

Family size includes an unborn; if medical documentation
shows multiple births are expected, add as documented.

2008 FEDERAL POVERTY LEVEL MONTHLY INCOME GUIDELINES

100% OF POVERTY LEVEL INCOME GUIDELINES FOR QUALIFIED
MEDICARE BENEFICIARIES (QMB's).

INDIVIDUAL	\$ 866.67
COUPLE	\$1,166.67

120% OF POVERTY LEVEL INCOME GUIDELINES FOR SPECIFIED LOW-
INCOME MEDICARE BENEFICIARIES (SLMB's).

INDIVIDUAL	\$1,040.00
COUPLE	\$1,400.00

135% of FEDERAL POVERTY LEVEL INCOME GUIDELINES FOR
QUALIFIED INDIVIDUALS (QI-1)

INDIVIDUAL	\$1,170.00
COUPLE	\$1,575.00

200% OF POVERTY LEVEL INCOME GUIDELINES FOR QUALIFIED
DISABLED AND WORKING INDIVIDUALS (QDWI's).

INDIVIDUAL	\$1,733.33
COUPLE	\$2,333.33

0386.10 TREATMENT OF INCOME

REV:06/1994

Section 0366 sets forth the treatment of income rules for spouse to spouse deeming of income when both members of a couple live together in the community, and when an ineligible parent lives in the same household with an eligible child under 18. DEEMING STATUS IS CHANGED WHEN AN ELIGIBLE INDIVIDUAL BECOMES INSTITUTIONALIZED.

If an eligible individual moves into a medical facility, deeming stops for the purpose of determining MA eligibility effective with the month following the month of separation.

Eligibility determinations for persons applying for or receiving services under a Waiver are conducted AS IF THE PERSON WERE ACTUALLY INSTITUTIONALIZED. This means that deeming of spousal/parental income does NOT apply after the month of separation due to institutionalization.

0386.15 RECIPIENT INCOME APPLIED TO COST OF CARE

REV:01/1996

If the institutionalized individual is eligible for MA, either as Categorically Needy or Medically Needy, and Medical Assistance payment is requested for the individual's institutional care expenses, a determination is made regarding the amount of income the institutionalized individual must allocate to his/her cost of share.

0386.20 INCOME DEFINITIONS

REV:06/1994

Income is anything received in cash or in-kind that can be used to meet the needs for food, clothing or shelter. In-kind income is not cash, but is actually food, clothing, or shelter, or something the individual can use to get one of these. Earned and unearned income is considered when determining an individual's and couple's financial eligibility.

0386.20.05 Earned Income

REV:06/1994

Earned income may be in cash or in-kind and consists of the following types of payments:

- o Wages;
- o Net earnings from self employment;
- o Payments or refunds of earned income tax credits;

- o Payments for services performed in a sheltered workshop or work activity.

Earned income is counted as earned income when received (or would have been received except that the applicant/recipient decided to postpone receipt) rather than when earned. This recognizes that the time between earning and receiving income sometimes is long.

In a program based on the current need, the relevant time is when income is received.

0386.20.10 Unearned Income

REV:06/1994

Unearned income is defined as all income that is not earned income whether cash or in-kind. Some types of unearned income are:

- o Deemed income;
- o Income from legally liable relatives;
- o Workers' Compensation;
- o Annuities, pensions, and other periodic payments;
- o Alimony and support payments;
- o Dividends, interests and royalties;
- o Rents;
- o Benefits received as the result of another's death to the extent that the total amount exceeds the expenses of the deceased person's last illness and burial paid by the recipient;
- o Prizes and awards;
- o In-kind support and maintenance (ISM);
- o Life insurance proceeds; and,
- o Gifts and inheritances.

0386.20.15 Forms of Income

REV:06/1994

Income, whether earned or unearned, may be received in either of two forms, cash and in-kind.

- o Cash includes currency, checks, money orders, or electronic funds transfers (EFT), such as:

- social security checks;
- unemployment compensation checks; and,
- payroll checks or currency.
- o In-kind includes noncash items such as:
 - real property;
 - food;
 - clothing; and,
 - noncash wages (e.g., room and board as compensation for employment).

0386.20.20 Living in Own Household, Defin

REV:06/1994

The following is a list of individuals living in their own households:

- o An individual (or living-with spouse or any person whose income is deemed to the individual) who has an ownership interest or a life estate interest in the home;
- o An individual (or living-with spouse or any person whose income is deemed to the individual) who is liable to the landlord/landlady for payment of any part of the rental charges;
- o An individual who is in a noninstitutional care situation;
- o An individual who lives in an all-public assistance household; or,
- o An individual who pays at least a pro rata share of household operating expenses, AND
 - is living with someone other than a spouse and/or child(ren) and/or someone whose income is deemable to such individual, AND
 - is eating meals which s/he did not purchase separately.

0386.20.20.05 Proof of Pro Rata Share

REV:06/1994

If the applicant claims that s/he is contributing to the household, his/her pro rata share is established by averaging the monthly household operating expenses over the past 12 months and dividing by the number of persons in the household, regardless of age. If exact

figures are unavailable, a reasonable estimate is used, considering current expenses and seasons of the year.

The household expenses to be considered, provided someone outside the household does NOT pay for them, are:

- o Real Property Taxes
- o Water
- o Sewer
- o Heating Fuel
- o Garbage Removal
- o Gas
- o Food
- o Electricity
- o Rental Payments
- o Mortgage (including property insurance)

0386.20.20.10 *Documentation of Sharing*

REV:06/1994

The applicant must submit evidence of sharing. This includes bills and receipts which establish the household expenses, and canceled checks or money order receipts which establish the applicant's contributions. When such evidence is not available, statements from the applicant and the person who owns or rents the household are accepted. Copies of all supporting documents are retained in the case record.

The applicant must be advised to retain future bills/receipts in the event a redetermination is required because changes occur, or because s/he wants to rebut one or more of the amounts used in determining the household expenses.

When a change does occur, it is only necessary to determine what is affected by the change. For example, if the only change is in household composition, only the food expense will increase or decrease. If the individual's contribution has decreased, a determination must be made that the lower contribution still constitutes a pro rata share.

0386.25 WHEN INCOME IS COUNTED

REV:06/1994

Generally, income is counted at the EARLIEST of the following points:

- o When it is received; or,
- o When it is credited to an individual's account; or,
- o When it is set aside for his/her use.

Income is determined monthly and counted in the month it is received.

Occasionally, a regular periodic payment (e.g., wages, title II, or VA benefits) is received in a month other than the month of normal receipt. As long as there is no intent to interrupt the regular

payment schedule, the funds are considered to be income in the normal month of receipt.