

# SSI-Related Medicaid Income Counting and Deeming

Anne Mulready, RI Disability Law Center Inc.  
Samuel Salganik, RI Parent Information Network  
May 9, 2018

# SSI-Related Medicaid Income Counting and Deeming

- ▶ This is a broad overview
- ▶ Not intended as legal advice
- ▶ For more information: see
  - Medicaid for Elders and Adults with Disabilities: Community Medicaid (210-RICR-40-05-1)  
<http://sos.ri.gov/documents/archives/regdocs/released/pdf/EOHHS/9485.pdf>.
  - Medicaid Integrated Health Care Coverage, SSI Financial Eligibility Determinations (210-RICR-40-00-3)  
<http://sos.ri.gov/documents/archives/regdocs/released/pdf/EOHHS/9240.pdf>

# Medicaid Eligibility – Basics

---



*“MAGI” Medicaid* –  
Under 65, not receiving Medicare



*“Non-MAGI” (SSI related) Medicaid*  
65 or older, or disabled

- Different eligibility rules
- Different income limits
- Different rules about how to count income

# Non-MAGI Medicaid Eligibility

---



*“Non-MAGI” (SSI related) Medicaid*  
65 or older, or disabled

1. Income below 100% of FPL
  - \$1,012/mo for single; \$1,372/mo for couple
2. Resources below \$4,000 (single), \$6,000 (couple)
3. RI State Resident
4. Citizen or Qualifying Immigrant

# SSI-related Medicaid in RI

- ▶ RI uses the SSI rules for financial eligibility for people who have SSI characteristics:  
65 or older, blind or disabled
- ▶ There are different income standards for different pathways to eligibility:
  - a. Those getting SSI (about 74.5% of FPL)
  - b. Elders and adults with disabilities (100% of FPL)
  - c. Medically needy individuals
  - d. People using Long Term Care Services and Supports
  - e. Working adults (e.g. 1619b, Sherlock Plan)

# Income Counting for SSI-related Medicaid

- Treats *earned* income differently from *unearned*
- Excludes some kinds of income, e.g., income exempted by federal laws
- Applies other income exclusions in a specific order to determine “countable” income
- “Deems” income to the applicant from people legally obligated to support the applicant.

# Income eligibility – Individual

- A. Determine income: earned and unearned.
- B. Calculate the amount of “countable” *unearned* income.
  - 1. Exclude income as required by Federal laws – *common examples* include SNAP, WIC
  - 2. Exclude other amounts of unearned income in the following order – *common examples* (from a list of 25),
    - a. Assistance based on need wholly funded by a state e.g. SSP
    - b. The first \$60 of unearned income in a calendar quarter received infrequently or irregularly;

# Income eligibility – Individual

- c. Grants, scholarships, fellowships under for education expenses
  - d. The first \$20 of income in a month (“general income exclusion”)
  - e. Income used to fulfill a Plan to Achieve Self-Support (PASS)
3. What remains is “countable unearned income.”



# Income eligibility – Individual

- C. Calculate the amount of “countable” earned income.
  - 1. Exclude income as required by Federal laws – *common examples*, Americorp payments, work study supported by federal higher ed
  - 2. Exclude other amounts of earned income in the following order – *common examples*,
    - a. The first \$30 of earned income in a quarter if received infrequently or irregularly

# Income eligibility – Individual

- b. Student earned income exemption (SEIE)
  - if under 22 years and regularly attending school can exclude up to \$1820 monthly (to a yearly maximum of \$7350 in 2018 – annually adjusted figure).
  
- c. Any portion of the \$20 income disregard not applied to unearned income
  
- d. \$65 of earned income in a month

# Income eligibility – Individual

- e. Impairment related work expenses for people with disabilities (not blind) under 65 years (IRWEs)
- f. **One-half of the remaining income**
- g. Work expenses for people who are blind and under 65 years (BWEs)
- h. Income received and used to fulfill an approved Plan to Achieve Self-Support (PASS).

# Income eligibility – Individual

- D. Add countable earned and unearned income and compare it to the income standard (e.g., 100% of FPL)
  - 1. If less than income standard eligible
  - 2. If more than income standard – not eligible (although might have other eligibility pathways).

# Income eligibility – Individual

## Case Example – Single Adult: “Dave”

Dave is a single childless disabled adult. He has “Expansion” (MAGI) Medicaid now, but his Medicare is about to start so that will have to change. Dave has Social Security Disability Insurance (SSDI) income of \$1,100 per month. He receives SNAP benefits of \$100 per month, and earns \$200 per month for cleaning up after local church services every week.

# Medicare Premium Payment Programs

	QMB	SLMB	QI
Income Limit (monthly)	100% of FPL \$1,012 (single) \$1,372 (couple)	120% of FPL \$1,214 (single) \$1,646 (couple)	135% of FPL \$1,366 (single) \$1,852 (couple)
Resource Limit	\$7,560 (single) \$11,340 (couple)	\$7,560 (single) \$11,340 (couple)	\$7,560 (single) \$11,340 (couple)
Coverage	Part A & B Premiums, <b>Copays &amp; Deductibles</b> Automatic Extra Help No Part B Late Penalty	Part B Premiums Automatic Extra Help No Part B Late Penalty	Part B Premiums Automatic Extra Help No Part B Late Penalty
Other Notes	<b>Balance billing protections, even for Medicare Advantage enrollees</b>		Cannot have at same time as Medicaid

# Deeming Rules

- A. General steps applicable to all deeming situations:
  1. Determine how much earned and unearned the non-applicant person has and apply the appropriate exclusions
  2. Before deeming income to an applicant from a parent or spouse, an amount for each ineligible child in the HH is allocated
  3. Then use the deeming rules specific for a
    - o Non-applicant spouse
    - o Non-applicant parent

# Deeming Rules – Non-Applicant Spouse

- A. Determine ineligible spouse's earned and unearned income
- B. Apply federal exclusions. Examples of these 28 kinds of income excluded are:
  - Public income maintenance programs (e.g. SSI)
  - Tax refunds on income, real property or food
  - Income used to fulfill a PASS
  - Child support for a child not in the HH
  - In-kind support and maintenance
  - SNAP
  - BIWEs
  - IRWEs for ineligible spouse or parent receiving SSDI
  - Irregular or infrequent income



# Deeming Rules – Non-Applicant Spouse

- C. Deduct an allocation for each ineligible “child” (not married, not head of HH, under 18 or under 22 if a student)
  - 1. The allocation for each child is the difference between the FBR for a couple and an individual (\$375)
  - 2. Reduce each allocation by any income of the child (exclude income as required by federal law) and exclude earnings if the child is a student (SEIE)

# Deeming Rules – Non-Applicant Spouse

3. Reduce the spouse's *unearned* income by the allocation.
4. If any remaining allocation, reduce the spouse's *earned* income by remainder.
5. Add the spouse's remaining earned and unearned income

D. If the amount of the spouse's remaining income is not more than the “difference between” the FBR for a couple and the FBR for an individual (\$375), there is no income to deem to the applicant spouse.

Only use the applicant spouse's countable income and subtract it from the FPL for an individual.

# Deeming Rules – Non-Applicant Spouse

E. If the amount of the spouse's remaining income is more than the "difference between" (\$375) then the applicant and non-applicant spouse are treated as an eligible couple, by

1. Combining the remainder of the non-applicant spouse's unearned income with the applicant's unearned income and combining the remainder of the non-applicant spouse's earned income with the applicant's earned income.
2. Applying all appropriate earned income exclusions and unearned exclusions
3. Subtracting the couple's countable income from the income standard for a couple

# Deeming Rules – Non-Applicant Spouse

## Case Example – Applicant “Susan” and Her Non-Applicant Spouse “Stuart”

Susan has a disability and is married to her non-disabled spouse, Stuart. Susan receives \$850 per month in SSDI. Stuart works and earns \$1,000 per month. Susan and Stuart both receive “Expansion” (MAGI) Medicaid, but Susan’s Medicare started recently. Will she remain eligible for Medicaid?

# Deeming Rules – Non-Applicant Spouse & Child

## **Case Example – Applicant “Susan” and Her Non-Applicant Spouse “Stuart” and their minor child “Sam”**

Same facts as above (Susan receives \$850 per month in SSDI. Stuart works and earns \$1,000 per month) and add 17-year-old son, “Sam,” who’s a full-time student, still lives with them, and earns \$500 per month delivering pizza.

# Medicare Premium Payment Programs

	QMB	SLMB	QI
Income Limit (monthly)	100% of FPL \$1,012 (single) \$1,372 (couple)	120% of FPL \$1,214 (single) \$1,646 (couple)	135% of FPL \$1,366 (single) \$1,852 (couple)
Resource Limit	\$7,560 (single) \$11,340 (couple)	\$7,560 (single) \$11,340 (couple)	\$7,560 (single) \$11,340 (couple)
Coverage	Part A & B Premiums, <b>Copays &amp; Deductibles</b> Automatic Extra Help No Part B Late Penalty	Part B Premiums Automatic Extra Help No Part B Late Penalty	Part B Premiums Automatic Extra Help No Part B Late Penalty
Other Notes	<b>Balance billing protections, even for Medicare Advantage enrollees</b>		Cannot have at same time as Medicaid