

MANUAL MATERIAL TRANSMITTED					
<b>MANUAL:</b> Income Maintenance			<b>CHANGE NUMBER:</b> 25		
<b>DELETE</b>			<b>INSERT OR CHANGE</b>		
PAGES	CHAPTER	DATED	PAGES	CHAPTER	DATED
27 - 28	9	9/95	27	9	4/96
35 - 36	9	9/95	28	9	9/95
51 - 52	9	9/95	35 - 36	9	4/96
			51	9	4/96
			52	9	9/95
167 - 170	10	8/95	167	10	8/95
			168 - 169	10	4/96
			170	10	8/95
185 - 188	10	8/95	185 - 186	10	4/96
			187 - 188	10	8/95
21 - 22	11	8/95	21	11	4/96
31 - 32	11	8/95	22	11	8/95
55 - 56	11	8/95	31	11	4/96
			32	11	8/95
			55	11	4/96
			56 - 56 a	11	8/95
179 - 180	23	9/95	179	23	9/95
			180	23	4/96
<b>DATE:</b> January, 1996			<b>TO:</b> All Income Maintenance Manual Holders		

The following changes have been made:

1. Section 9.2,A: The last paragraph was rewritten for clarification.
2. Section 9.7,B,C and D: The spouse of a Qualified Child was added.

decision using the above criteria, the Supervisor makes the decision.

A minor parent (mp) is treated as a dependent child in the benefit group when:

- An application is made by a caretaker relative who has care and control of both the mp and her child.
- An application is made for the mp only by a caretaker relative who has care and control of the mp.

**NOTE:** The mp who lives with a spouse cannot be considered a dependent child.

**NOTE:** When the mp is a dependent child, she must be included on the benefit group with her eligible dependent blood-related siblings.

The mp is treated as the caretaker relative anytime she has care and control of her own child.

**NOTE:** When the mp and the legal father of the child live together, it is assumed that they are the caretakers of their child.

When a caretaker relative in the home, other than the mp, has care and control of the mp's child and applies for AFDC for the child, the mp who lives in the home must be included in the benefit group because she is the parent of the child, not the caretaker relative. In this situation, the mp is always treated as an adult in the benefit group.

**NOTE:** The mp must be treated the same for income and for the benefit group, i.e., when she is treated as a dependent child in the benefit group, her income is treated as that of a child.

#### B. THE INCOME GROUP

The non-excluded income of all benefit group members is counted.

The non-excluded income of the following individuals must be counted when determining eligibility, but not when determining need:

- The sanctioned individual

## 9.7 QUALIFIED AND POVERTY-LEVEL CHILDREN

### A. THE BENEFIT GROUP

#### 1. Who Must Be Included

The Qualified or Poverty-Level child must be included.

#### 2. Who Cannot Be Included

Only the Qualified or Poverty-Level Child is included.

### B. THE INCOME GROUP

The income of the following individuals is used to determine the child's eligibility:

- The child
- The child's mother, if living in the home
- The child's legal father, if living in the home
- The Qualified Child's legal spouse, if living in the home

### C. THE NEEDS GROUPS

The needs group for these coverage groups is the Standard Filing Unit (SFU).

It must include the following:

- The child
- The child's mother, if living in the home
- The child's legal father, if living in the home
- The Qualified Child's legal spouse, if living in the home
- The child's blood-related or adopted siblings, if living in the home

Any individual, other than the Qualified Child's legal spouse, who would not be included in the AFDC/U benefit group, if an AFDC/U application were filed for the child, cannot be included. See Section 9.2.

## 9.18 AFDC/U-RELATED MEDICAID

### A. THE BENEFIT GROUP

See Section 9.2,A.

### B. THE INCOME GROUP

The income counted depends on the benefit group member. Each member listed shows the income which is counted to determine his eligibility. Only the income of individuals who live in the home with the benefit group member is counted.

#### 1. Parent

Count the income of:

- The parent
- The legal spouse of the parent

See Chapter 10 for deeming instructions.

#### 2. Child, Including The Minor Parent (mp) Who Is A Dependent Child

Count the income of:

- The child
- The parent(s) of the child

**NOTE:** The income of a child is never counted for a parent or a sibling.

#### 3. The Minor Parent (mp) Who Is A Caretaker Relative

Count the income of:

- The mp
- The MP(s)

See Chapter 10 for deeming instructions.

children are used to meet their own spenddowns, but not those of the man and his two children. The medical bills of the man and his two children are used to meet their own spenddowns, but not those of the woman and her two children.

c. Allowable Spenddown Expenses

The following medical expenses, which are not subject to payment by a third-party, and for which the client will not be reimbursed, are used to reduce or eliminate the spenddown.

- A current payment on, or the unpaid balance of, an old bill, incurred outside the current POC, is used as long as it was not used in a previous POC during which the client became eligible.

Medical bills that were previously submitted, but were not sufficient to meet the spenddown, are used again in a new POC. However, when any old or new bill is used and the spenddown is met, those same bills must not be used again in a new POC.

In addition, when the client submits an old bill and then withdraws his application, the old bill may be used again if he reapplies.

- Health insurance premiums, including Medicare
- Medicare co-insurance, deductibles and enrollment fees
- Necessary medical or remedial care expenses. This includes, but is not limited to:
  - Office visits to a physician
  - Hospital services, inpatient and outpatient
  - Emergency room services
  - Prescriptions
  - Over-the-counter drugs prescribed by a physician

- An adult sibling or step-sibling of a minor child
- An adult sibling residing with an adult sibling recipient
- An adult child of an adult recipient.

The services must fall into any of the following general groups. Each general group shown below is further defined by examples, but is not limited to only the examples shown.

- Personal Hygiene/Grooming: care of hair, nails, teeth, mouth; shaving; bathing; toilet assistance; dressing; laundry, when related to incontinence.
- Non-Technical Physical Assistance: routine bodily functions; routine skin care, including application of non-prescription skin care products; change of simple dressings; repositioning or transferring into and out of bed, on and off seats; walking, with or without equipment; assist in administration of medication; following directions of a professional for use of medical supplies.
- Nutritional Support: meal preparation; feeding; assisting with special nutritional needs, including preparation of special formulas, prescribed feedings or special diets.
- Environmental: housecleaning, dusting and vacuuming; laundry; ironing and mending; making and changing beds; dishwashing; food shopping; payment of bills; essential errands; activities and transportation necessary to move the client from place to place; other similar activities of daily living.

- Durable medical equipment prescribed by a physician
- Rental of sickroom supplies
- Cost of in-home care
- Services of other licensed practitioners of the healing arts, i.e., podiatry.

Do not deduct any expenses which are included in a package of services, prior to the date services are rendered, such as charges for prenatal care and delivery services or orthodontia.

- Necessary medical or remedial services which are covered services under Medicaid
- Expenses for personal care services defined as: services provided in a client's home which are prescribed by a physician, delivered in accordance with a plan of treatment and provided by a qualified person, who is not a member of the client's family, under the supervision of a registered nurse. For these purposes, home is defined as the client's full time residence, but does not include a hospital, nursing facility, intermediate care facility or any other setting in which nursing services are, or could be, made available.

Family member for these purposes is defined as:

- A spouse
- A parent or stepparent of a minor child
- A parent of an adult child
- An adopted child or adoptive parent of a recipient
- An adult sibling or step-sibling of a minor child
- An adult sibling residing with an adult sibling recipient
- An adult child of an adult recipient.

Under no circumstances are ongoing or one-time-only medical expenses to be projected. They must be used no earlier than actually incurred. Those persons who are billed for their care at intervals longer than monthly are to have the expenses used to meet spenddown on the date services are performed, not on the date billed. Such expenses are not incurred prior to receipt of services.

12. Unavailable Income

Income intended for the client, but received by another person with whom he does not live, when the individual receiving this income refuses to make it available, is excluded.

13. Income Received For A Non-Benefit Group Member

Income received by a member of the benefit group, which is intended and used for the care and maintenance of an individual, whose income is not used in determining the eligibility or benefit level of the payee's benefit group, is excluded as income.



LIST OF ASSETS

business. The value of the fishing permit is not determined because the permit is excluded under the exception. The boat and tackle are producing in excess of a 6% return on the excluded equity value, so the equity is excluded, up to \$6,000. The \$500 excess value is counted toward the asset limit.

2. Non-Business Personal Property

a. Income Producing

No *	Yes	See item 1 above
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Food Stamps: Property which is annually producing income consistent with its FMV is excluded.

b. Necessary for Self-Support

Yes	Yes	No *
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SSI-Related Medicaid, CDCS, PAC, QDWI, QMB, SLIMB: Non-business personal and real property is considered essential for an individual and/or his spouse's self-support, if it is used to produce goods or services necessary for his daily activities. This property includes real property, such as land, which is used to produce vegetables or livestock for personal consumption only, such as corn, tomatoes, chickens, cattle. This property also includes personal property necessary to perform daily functions, but not passenger cars, trucks, boats, or other special vehicles. Property used to produce goods or services or property necessary to perform daily functions is excluded, if the individual's equity in the property does not exceed \$6,000. The amount of equity in excess of \$6,000 is counted toward the asset limit. Personal property which is required by the individual's employer for work is not counted, regardless of value, while the individual is employed. Examples of this type of personal property include tools, safety equipment, uniforms and similar items.

**EXAMPLE:** Bill owns a small unimproved lot several blocks from his home. He uses the lot, which is valued at \$4,800, to grow vegetables and fruit, only for his own consumption. Since his equity in the property is less than \$6,000, the property is excluded as necessary to self-support.

**NOTE:** The 6% provision as shown in item 1 above is not used in this determination.

LIST OF ASSETS
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only, such as, corn, tomatoes, chickens, cattle. This property also includes personal property necessary to perform daily functions, but not passenger cars, trucks, boats, or other special vehicles. Property used to produce goods or services or property necessary to perform daily functions is excluded, if the individual's equity in the property does not exceed \$6,000. The amount of equity in excess of \$6,000 is counted toward the asset limit. Personal property which is required by the individual's employer for work is not counted, regardless of value, while the individual is employed. Examples of this type of personal property include tools, safety equipment, uniforms and similar items.

**EXAMPLE:** Bill owns a small, unimproved lot several blocks from his home. He uses the lot, which is valued at \$4,800, to grow vegetables and fruit, only for his own consumption. Since his equity in the property is less than \$6,000, the property is excluded as necessary to self-support.

## c. Other Real Property

Yes *	Yes *	Yes *
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The equity in property, not otherwise excluded, is an asset.

**Food Stamps:** Real property which the client is making a good faith effort to sell is excluded. A good faith effort means that the property is currently available for sale through a real estate agent or through publication.

**AFDC/U Only:** Any non-excluded real property which the benefit group is making a good faith effort to sell is excluded for six months. A good faith effort means that the property is currently available for sale through a real estate agent or through publication.

The only time this exclusion applies is when the client has agreed in writing, using form ES-22, to dispose of the property within the six-month exclusion period. Any payments made to the benefit group during this disposition period must be repaid to the agency once the asset is disposed of.

If, for any reason, the client fails to dispose of the property, or the case is closed during the

**NOTE:** The asset limits for the Food Stamp Program, as found in Section 11.3, apply.

5. Retroactive Payments

These monies are counted as an asset when retained into the month following the month of receipt.

6. Low Profit From The Sale of An Asset

In addition to assets which may be considered inaccessible according to the provisions in item 3 above, an asset which meets one of the following criteria is considered inaccessible and is, therefore, excluded because it cannot be sold for a significant return.

- The asset has an expected sale price of less than one half of the benefit group's applicable asset limit; or
- The cost of selling the asset will likely result in a return of less than one half of the benefit group's applicable asset limit. The benefit group's ownership interest must also be considered when determining the potential return.

This applies to a single asset, not to a combination of assets.

**NOTE:** This provision does not apply to vehicles, stocks, bonds and negotiable financial instruments.

**NOTE:** An asset cannot be subdivided solely to obtain an exclusion as inaccessible.

7. Burial Funds

Burial funds are excluded for Food Stamp purposes, provided they are in an irrevocable trust. Otherwise, they are assets.

B. AFDC/U, AFDC/U-RELATED MEDICAID AND GA FOR DA

**NOTE:** When an asset is deemed, the full equity value is deemed with no disregards or deductions applied.

a. All Joint Owners in the Benefit Group

If all joint owners are in the benefit group, the total equity in the asset is counted as an asset for the benefit group.

b. All Joint Owners Not in the Benefit Group

If all joint owners are not in the benefit group, the following general rules apply:

- If a non-SSI recipient parent, is in the home and is not included in the benefit group, his assets are available to his spouse and children in their entirety.

- The appropriate MNIL is subtracted from the amount in Block 51. The remainder is multiplied by 6 to determine the excess income for the POC. This amount is entered in Blocks 58 and 80.
- An S is entered in Block 57.
- When incurred medical expenses and the dates they are incurred are entered buy a WESDN transaction, the amount in Block 58 is reduced by the total expenses entered.
- When sufficient medical expenses are entered to reduce Block 58 to \$0, the system takes the following actions:
  - The S is removed from Block 57
  - Beginning and ending dates of eligibility are entered in Blocks 9 and 10.
  - A medical card is issued.
- If sufficient medical expenses are not entered for the POC, the system automatically denies the case, effective the last month of the POC.

#### B. SSI-RELATED MEDICAID CASES

If the second prefix of the case is A, B or D, the computations are as follows

Step 1: Unearned income amounts form Blocks 46 and 50 are added together.

Step 2: Twenty dollars (\$20) is subtracted from Step 1. If there is no unearned income, or the amount in Step 1 is less than \$20, the remainder is retained and subtracted in Step 3.