

10.9 TRANSITIONAL MEDICAID (TM) (Categorically Needy, Mandatory)

NOTE: The spenddown provision does not apply.

There is no maximum income test for Phase I TM. The only financial requirements are:

- The case must be financially ineligible for AFDC Medicaid
- The amount of earnings, hours worked or loss of earned income disregards played a part in AFDC Medicaid ineligibility. See Section 16.5,C,1,a.

To determine eligiiblity for Phase II coverage, the following procedure is used:

- Step 1: Determine the total non-excluded income of all AG members.
- Step 2: Add the total non-excluded income of all sanctioned persons who would normally be included in the AG.
- Step 3: Deduct the Dependent Care Deduction. See Section 10.7,B.
- Step 4: Compare the remaining amount to the 185% FPL amount for the Needs Group found in Appendix A.

If the amount does not exceed 185% FPL for the Needs Group, eligibility for Phase II is established.

A. SELF-EMPLOYMENT

Self-employment income is treated the same way it is for AFDC Medicaid. See Section 10.7,D.

B. ANNUAL CONTRACT EMPLOYMENT

Annual contract employment is treated the same way it is for AFDC Medicaid. See Section 10.7,D.

C. EDUCATIONAL INCOME

Educational income is treated the same way it is for AFDC Medicaid. See Section 10.7,D.

D. DEEMING

Sanctioned persons, who would normally be required to be included in an AFDC Medicaid AG, have their non-excluded income counted in its entirety. Income is not otherwise deemed for TM.

E. STRIKERS

If a striker, as defined in Section 10.4,D,9, is an AG member or a sanctioned person, his presence results in ineligibility of the entire AG for Phase II coverage.

F. IRREGULAR INCOME

Regardless of the source, irregular income is excluded because it cannot be anticipated.

G. LUMP SUM PAYMENTS

Lump sum payments received by a TM AG member or by a sanctioned person are prorated over the remainder of the 12-month TM period. The prorated amount plus other non-excluded gross income is used to determine eligibility in Phase II.

H. WITHHELD INCOME

Withheld income is treated the same way it is for AFDC Medicaid. See Section 10.7,D.

I. FUNDS DIVERTED TO A PASS

Funds diverted to a PASS account are counted as earned or unearned income, depending on the source.

J. UNSTATED INCOME

There is no provision that allows for counting unstated income.

K. SPENDDOWN

There is no spenddown provision.

L. 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.

M. INCOME RECEIVED FOR A NON-INCOME GROUP MEMBER

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