

2. Method 2

To determine an individual's financial eligibility under Method 2, the Worker must determine the cumulative RSDI COLA's of the applicant and/or his financially-responsible parent or spouse, which were received since SSI eligibility was lost.

Step 1: Divide the current RSDI benefit amount by the percentage amount of the previous year's COLA. This percentage is found in Appendix E. This procedure determines the individual's RSDI benefit level prior to the most recent COLA.

Step 2: Repeat the process in Step 1 for each COLA received since the individual lost SSI eligibility. This produces the RSDI amount the client and/or his financially-responsible parent or spouse received when he lost SSI eligibility.

The following is an example of this process.

1992 RSDI amount, $\$456 \div 1.037 = \439 , the RSDI amount before 1/92 COLA. See Section 10, App. E, Method 2 Chart for the divisor.

Resulting RSDI amount before 1/92 COLA, $\$439 \div 1.054 = \416 , the RSDI amount before 1/91 COLA

Resulting RSDI amount before 1/91 COLA, $\$416 \div 1.047 = \397 , the RSDI amount before 1/90 COLA

Step 3: Determine the client's current non-excluded income.

Step 4: Apply appropriate disregards and deductions to the income determined in Steps 2 and 3.

Step 5: If countable income is less than the current maximum SSI payment amount, and all other SSI requirements are met, the client is eligible for Medicaid under PAC.

D. SPECIAL SITUATIONS

1. Self-Employment

Gross profit is determined the same way it is for AFDC-Related Medicaid. See Section 10.21 After gross profit is determined, it is treated as SSI-Related earned income.

2. Annual Contract Employment

Annual contract employment is treated the same way it is for AFDC-**Related** Medicaid. See Section 10.21.

3. Educational Income

Educational income is treated the same way it is for AFDC-**Related** Medicaid. See Section 10.21.

4. Deeming

Income is deemed from an ineligible financially-responsible spouse or parent the same way it is deemed for SSI-Related Medicaid cases. See Section 10.22. The COLA disregard is applied to any RSDI received by an ineligible spouse or financially-responsible parent and which is subject to deeming.

5. Strikers

The presence of a striker has no bearing on PAC eligibility.

6. Irregular Income

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

7. Lump Sum Payments

Lump sum payments are counted as unearned income in the month received.

8. Withheld Income

Withheld income is treated the same way it is for SSI-Related Medicaid. See Section 10.22.

9. Funds Diverted To A PASS

Funds diverted to a PASS account are excluded.

10. Unstated Income

There is no provision that allows for counting unstated income.