

## 10.1 DEFINITIONS

### **ADJUSTED GROSS INCOME (AGI)**

The amount of taxable income earned by a taxable household minus specific deductions allowed under federal law. See Section 10.8 for instructions on calculating AGI.

### **ADMINISTRATIVE REDETERMINATION**

A redetermination process occurring without active participation by the recipient for Medicaid Groups and WV CHIP. This process is designed to occur electronically or by a pre-populated form, rather than requiring the completion of a blank application.

### **ADVANCE PREMIUM TAX CREDIT (APTC)**

A federal tax credit through Federally Facilitated Marketplace (FFM) that will help make a Qualified Health Plan (QHP) affordable by reducing a taxpayer's out-of-pocket premium when enrolled through the Marketplace.

### **AFFORDABLE CARE ACT (ACA)**

The Patient Protection and Affordable Care Act enacted March 23, 2010 and the Health Care and Education Reconciliation Act enacted March 30, 2010 are collectively referred to as the Affordable Care Act.

### **AGED**

Medicaid: An individual who is at least age 65. See ELDERLY for Supplemental Nutrition Assistance Program (SNAP) and WV WORKS benefits.

### **ALLOCATION STANDARD**

The difference between the maximum SSI payment for one and two persons.

### **ALLOTMENT**

An appropriation of one person's income diverted to another.

### **AMERICORPS**

A national service program administered by the Corporation for National and Community Service. Included in the AmeriCorps Network of programs are AmeriCorps USA, AmeriCorps VISTA and AmeriCorps NCCC. Closely associated with the AmeriCorps Programs are: The Senior Corps, The Youth Corps and Learn and Serve, which are also administered by the Corporation.

**ANNUITY**

The proceeds from an investment. This may be payable yearly or at other regular intervals.

**BASIC NEEDS**

The primary needs of individuals or families such as food, clothing, shelter and incidentals.

**BONA FIDE LOAN**

**AFDC-Related Medicaid Only:** A loan that meets one of the following conditions: The client has proof that the loan was obtained from an individual or establishment engaged in the business of making loans or the client and the lender have completed and signed form ES-AP-75, Verification of Loan Conditions, to acknowledge the obligation to repay the loan, with or without interest.

**SSI-Related Medicaid, CDCS, PAC, QDWI, QMB, SLIMB and QI-1 Only:** A loan agreement that is legally valid. This includes oral and written agreements that are binding under state law and which include the borrower's acknowledgement of his obligation to repay, a schedule and plan for repayment and the borrower's express intent to repay with real or personal property or anticipated income.

**CHILD**

**AFDC Medicaid and WV WORKS Only:** See Section 15.2 for definition of a dependent child for these programs.

**SSI-Related Medicaid, CDCS, PAC, QDWI, QMB, SLIMB and QI-1 Only:** When an individual meets the SSI definition of a child, he may be entitled to additional income disregards or deductions, have income deemed to him or have his needs considered when income is deemed from an ineligible individual to an eligible one.

A Child is:

- A natural or adopted child who lives in a household with one or both parents; and
- Under age 18; or
- Under age 22 and a student; and
- Not married

Deeming to an eligible child no longer applies beginning the month following the month the child attains age 18 or is over 18 and is no longer a student.

SNAP Program Only: An individual who is not yet 18, nor the head of a household.

**MAGI Coverage Groups:** For MAGI Medicaid coverage groups where eligibility is determined based on MAGI methodology, a child is defined as an individual under the age of 19.

### **COLA (COST OF LIVING ADJUSTMENTS)**

Adjustments to entitlement benefits, pensions or other retirement income such as RSDI, Black Lung and Railroad Retirement.

### **CONVERTING INCOME AND DEDUCTIONS**

The method used to change income and deductions paid less often than monthly to a monthly amount.

### **CORPORATION FOR NATIONAL AND COMMUNITY SERVICE (CNCS)**

The federal government administers a number of national and community service programs such as, but not limited to, Americorps and the National Civilian Community Corp (NCCC). In addition, it administers the former ACTION agency programs created by the Domestic Volunteer Act of 1973. Former ACTION programs include, but are not limited to, Americorps VISTA, University Year of Action, Urban Crime Prevention Program, RSVP and Foster Grandparents.

### **COUNTABLE INCOME**

The amount of income after all allowable exclusions, disregards and deductions have been applied. The level of benefit is based on this amount.

**MAGI Medicaid Coverage Groups Only:** For these groups, eligibility is not based on countable income, it is based on Modified Adjusted Gross Income calculated in the fashion outlined in Section 10.8.

### **DEDUCTION**

A specific amount subtracted from income. Allowable deductions are different, depending upon the program involved.

### **DEEMING**

The process by which income of a person, not included in the AG, but living in the home, is counted for the AG, whether or not it is actually made available. There are two methods by which this may be accomplished: by treating the deemer's income as if he were included in the AG or by allowing for the needs of the deemer, as well as the needs of others for whom he is financially responsible, and counting the remainder for the AG. The appropriate method depends on the relationship between the individuals and the program or coverage group involved.

**DISQUALIFIED INDIVIDUAL**

A person who must normally be included in a AG, but who has been excluded due to his failure to comply with a specific program requirement. This person may also be referred to as a SANCTIONED INDIVIDUAL.

**DISREGARD**

A portion of income that is not counted when determining countable income. Allowable disregards are different, depending upon the program involved.

**DIVIDEND**

A share of profits received by a stockholder or a policy holder.

**EARNED INCOME**

Income which is derived, at least in part, from physical or mental activity on the part of an individual. Earnings include gross income from employment and gross profit from self-employment.

**EITC (EARNED INCOME TAX CREDIT)**

An amount by which a person's federal income tax obligation is reduced or eliminated. When eligible for the EITC, an individual may receive a federal tax refund which exceeds the original amount withheld or he may receive monthly advance payments.

**ELDERLY**

SNAP and WV WORKS benefits: An individual who is at least age 60. Medicaid: An individual who is at least age 65. This is also referred to as AGED.

**EMPLOYMENT**

A situation in which a wage, salary or commission is paid to an individual for services rendered. The employer usually takes the responsibility for withholding income taxes and FICA taxes from the wages. However, if this is not done, the employee may pay these taxes himself without affecting his status as an employee. The employer controls such things as hours worked, what is done and where the work is located.

**EXCLUDED BY LAW**

An individual specifically excluded from the AG by PRWORA

**EXCLUSION**

Income that is treated as if it does not exist.

**FEDERAL DATA HUB**

An electronic Federal data service hub through which the Department will obtain information from federal agencies or other data sources such as Social Security Administration, the Department of Treasury and Homeland Security.

**FEDERALLY-FACILITATED MARKETPLACE (FFM)**

This term refers to a State or Federally-Facilitated Health Insurance Marketplace. It is a governmental agency or non-profit entity that makes Qualified Health Plans (QHP) available to qualified individuals. The Marketplace will allow individuals to: compare private health plans; obtain answers to questions about health coverage options; determine if they are eligible for tax credits for private insurance or health programs like Medicaid and WV CHIP; and enroll in a health plan that meets their needs. The Marketplace must have a consumer assistance function, including the navigator program. The Marketplace must provide for operation of a toll-free call center and must maintain an up-to-date Internet web site. States must coordinate with the State or Federal Exchange to share eligibility date and eligibility determinations for applicants for Medicaid, WV CHIP or the Marketplace.

**GIFT CARD/CERTIFICATE**

Representation in paper form as a certificate or other device such as an electronic card that has a dollar value, a merchandise credit, or verification of value where the issuer has received payment for the full face value with the agreement that the card will be redeemed in the future for food, goods, services, credit, or money of at least an equal value. A gift card/certificate must be evaluated to determine if it can be used to purchase food or shelter and if there are any restrictions related to its use.

**GROSS INCOME**

The amount of monthly income received before any mandatory payroll deductions.

**GROSS PROFIT**

The total gross income from self-employment, less the cost of producing the income.

**INCENTIVE PAYMENT**

An allowance paid for participation in a training program.

**INCURRED EXPENSES**

Monetary liabilities of the client.

**IN-KIND INCOME/PAYMENT**

Goods or services received or rendered by the AG in lieu of a cash payment.

**IN-PERSON ASSISTOR**

One who is trained to provide information about insurance affordability programs and coverage options and assist individuals in applying for coverage in a QHP. They will also act in the best interest of the individual while abiding by law related to conflict of interest and maintaining standards of confidentiality.

**INSURANCE AFFORDABILITY PROGRAM (IAP)**

IAP includes Medicaid, WV CHIP, and coverage in a Qualified Health Plan offered through the Marketplace using advanced payments of premium tax credit or cost-sharing reductions.

**LUMP SUM PAYMENTS**

Non-recurring, recurring or advance payments intended to cover more than the current month, or windfalls, such as bingo or lottery winnings.

**MAGI-INCOME DISREGARD**

A 5% of Federal Poverty Level income disregard for the family size, applicable only to Medicaid Groups and WV CHIP that use MAGI-income based methodologies.

**MAGI SCREENING**

All applicants will go through a “MAGI Screen” and will have MAGI Medicaid eligibility determined first. If eligible for a MAGI Medicaid coverage group, the applicant should promptly be enrolled into the MAGI coverage group. The applicant may also pursue eligibility for coverage in non-MAGI groups.

**MANDATORY PAYROLL DEDUCTIONS**

Income withholdings common to all employees of the same employer.

**MEANS-TESTED PROGRAM**

A program for which the client's financial circumstances are considered in determining eligibility and/or benefit level. Also known as NEEDS-BASED PROGRAM.

**MINIMUM ESSENTIAL COVERAGE**

Coverage as defined in Section 5000 (f) of Subtitle D of the Internal Revenue Code. MEC includes, but is not limited to, Medicaid, CHIP, Medicare, TRICARE, VA benefits, Peace corps, Employee Sponsored Plans and Plans in the Individual market.

**MODIFIED ADJUSTED GROSS INCOME (MAGI)**

Income figure used to determine eligibility for specific Medicaid eligibility groups and WV CHIP. MAGI is calculated by making adjustments to AGI. See Section 10.8.

**NAVIGATOR**

An individual or entity that will assist the public by maintaining expertise in eligibility, enrollment, and program specification in the Marketplace, and conduct public education activities to raise awareness about information and services in a fair, accurate and impartial manner. This information must acknowledge other health programs as he/she facilitates selection of a QHP. A Navigator must not be a health insurance issuer, or receive any consideration directly or indirectly from any health insurance issuer in connection with the enrollment of any individuals in a QHP or a non-QHP.

**NON-AG MEMBER**

An individual who is not eligible to be included in the AG of the persons with whom he lives, but who has not been disqualified, sanctioned or excluded by law.

**PARENTAL LIVING ALLOWANCE**

The SSI payment amount for one or two persons, depending on the number of parents in the home.

**PASS**

Plan for Achieving Self-Support. A plan developed by SSA or DHHR for a blind or disabled individual to achieve self-support.

**PAY CARD/PAYROLL CARD/PAYROLL DEBIT CARD**

A plastic debit card on which the employee or recipient's earned or unearned income is direct deposited for his use by the employer or agency. This card is in lieu of a paystub or other paper document that indicates payments.

**PRORATION**

The process of distributing income received as a single payment, or an expense met by a single payment, equally over more than one month.

**QUALIFIED HEALTH PLAN (QHP)**

Under the ACA, starting in 2014, an insurance plan that is certified by the Health Insurance Marketplace, provides essential health benefits, follows established limits on cost-sharing (like deductibles, copayments, and out-of-pocket maximum amounts) and meets other requirements. A qualified health plan will have a certification by each Marketplace in which it is sold.



**REASONABLE COMPATIBILITY**

This provision is implemented with ACA changes and applies to all Medicaid Groups and WV CHIP. It refers to the process and result of reconciling discrepancies between an individual's self-attestation about his non-financial and financial information and the information reported by the federal data hub, or other electronic data sources available to the Department.

**REASONABLE COMPATIBILITY STANDARD**

In applying reasonable compatibility to financial information, the standard is the allowable difference in income between the data match income reported in the hub and that of the client. The current standard is 10% of the hub's income, arrived at by multiplying the hub figure by .1. See Chapter 4, Section 4.1.

**REIMBURSEMENT**

Compensation for past or future expenses.

**REMEDIAL CARE**

Services related to medical care, which are provided by a practitioner who is licensed by the State, but who is not a physician.

**RELOCATION PAYMENTS**

Money received from federal, state or local agencies to cover moving costs, cost of purchasing a home in a new location, or as a rent supplement, when a person or family is displaced by such an agency. Examples of these payments include, but are not limited to, Highway Relocation, Urban Renewal and the Army Corps of Engineers.

**ROLLING REDETERMINATIONS**

A full renewal will be conducted and a new 12-month period of eligibility will be extended whenever a change is reported or review for another program, as long as the applicant continues to be eligible based on all eligibility criteria.

**ROYALTIES**

A share of the profit from the product of an oil or mineral lease. Also a payment made to an author or composer for each copy of work sold or to an inventor for each article sold under a patent.

**SANCTIONED INDIVIDUAL**

See DISQUALIFIED INDIVIDUAL.

**SELF-ATTESTATION**

Information reported by an individual about non-financial and financial information.

**SELF-EMPLOYMENT**

A situation in which an individual has an investment in a business, has costs involved in producing income from this business, and could suffer a loss. He is usually responsible for his own income taxes and FICA. A self-employed person usually has to provide his own equipment, supplies and materials needed to do a job or produce the income. He controls to some extent his hours of work and where the work is done.

**SINGLE STREAMLINED APPLICATION (SLA)**

The required application used by the Department and Marketplace for determining eligibility for an insurance affordability program due to the ACA.

**SNAP**

Supplemental Nutrition Assistance Program (formerly known as the Food Stamp Program)

**SPECIAL NEEDS**

Needs other than food, shelter, utilities, clothing and incidentals which are not uniformly shared by all members of the AG.

**SPENDDOWN**

The amount by which income exceeds the Medically Needy Income Level (MNIL) for the Period of Consideration (POC).

**TARGETED LOW-INCOME CHILD**

A low-income child must first be ineligible for Medicaid to receive WV CHIP.

**THIRD-PARTY LIABILITY**

The means by which Medicaid payments are reduced or reimbursed by the amount paid by any individual, entity or other program.

**THIRD-PARTY PAYMENTS**

Payments made on behalf of the AG by a person who is not a member of the AG. To qualify as a third-party payment, there must be an identifiable payment on behalf of the AG, rather than on behalf of the payer.

**TRAINING ALLOWANCE**

See INCENTIVE PAYMENTS.

**TRUST FUND**

A legal vehicle which allows money to be held by one party (the trustee) for the benefit of another (the beneficiary).

**UNEARNED INCOME**

Income which is not related, or only indirectly related, to the efforts or activities of the individual. Examples of unearned income are RSDI, SSI, Veteran's benefits, pensions, compensation benefits, interest, royalties, allotments, contributions, and WV WORKS payments.

**UNSTATED INCOME**

SSI-Related Medicaid and WV WORKS Only: Money that has not been reported, and that is not otherwise known to the Department, but is determined to exist because the client's paid living expenses exceed income from known sources.

**WIC**

Women, Infants and Children special supplemental food program.