

10.11 MEDICAID FOR POVERTY-LEVEL PREGNANT WOMEN (Categorically Needy, Mandatory)

NOTE: The spenddown provision does not apply.

NOTE: Deemed Poverty-Level Pregnant Women have no income test. See Chapter 16.

A. INCOME DISREGARDS AND DEDUCTIONS

The following disregards and deductions are applied to the income of members of the pregnant woman's Income Group and are applied in the order listed.

1. Earned Income

- **AFDC Medicaid Standard Work Deduction:** The deduction is applied to the earned income or gross profit from self-employment of each working person. The amount of the deduction must not exceed the amount of earned income or gross profit of each person.
- **AFDC Medicaid Dependent Care Deduction:** When the employed member(s) of the Income Group must pay for dependent care to accept or continue employment, the Deduction is applied. The amount is applied as paid, up to the maximum amounts allowable for AFDC Medicaid. See Section 10.7,B,1. The dependent is not required to be in the AG for the deduction to be applied.

2. Unearned Income

The only unearned income disregard or deduction is the first \$50 of child support received when the child support is received by a minor pregnant woman.

B. DETERMINING ELIGIBILITY

NOTE: The 185% and 100% of standard Need tests are not applied.

Countable income is determined by subtracting allowable deductions and disregards from the total gross non-excluded income. The net monthly countable income of the Income Group must not exceed 150% FPL for the Needs Group. See Appendix A.

Step 1: Determine the amount of monthly gross non-excluded earned income of the Income Group. Do not include the income of any of the pregnant woman's children who live with her.

- Step 2: Subtract the AFDC Medicaid Standard Work Deduction for each employed person.
- Step 3: Subtract the AFDC Medicaid Dependent Care Deduction up to the maximum allowable amounts. The maximum amounts of the deduction are determined as for AFDC Medicaid. See Section 10.7,B,1.
- Step 4: Add the gross non-excluded unearned income of the Income Group, including the amount deemed to a minor pregnant woman from her parents. See item C,4 below for determining the amount to be deemed.
- Step 5: The resulting figure is the countable income against which eligibility is tested. Compare the countable income to 150% FPL for the number of people in the Needs Group. See Appendix A.

If countable income is equal to or less than 150% FPL, the pregnant woman is income eligible. Once determined eligible, the pregnant woman's eligibility is unaffected by changes in income throughout her pregnancy and postpartum period.

See Chapter 16 for retroactive eligibility of pregnant women and eligibility for postpartum coverage.

C. SPECIAL SITUATIONS

1. Self-Employment

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

2. Annual Contract Employment

Annual contract employment is treated the same for Poverty-Level Pregnant Women as it is for AFDC Medicaid. See Section 10.7,D.

3. Educational Income

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

4. Deeming

Deeming usually occurs when the financially responsible person is included in the pregnant woman's Income Group. However, when she is a minor and lives with her parent(s), different procedures are followed as found below.

School attendance by the minor has no effect on this deeming provision. There may be two parents of the minor pregnant woman. Each parent has the appropriate earned income deductions applied and each is counted as an ineligible individual in determining the needs of the ineligibles.

Determine the amount of income to be deemed as follows:

- Step 1: Determine the non-excluded gross earned income of the Major Parent(s) (MP).
- Step 2: Deduct the AFDC Medicaid Standard Work Deduction for each employed person. The amount of the deduction must not exceed each person's earned income.
- Step 3: Add the non-excluded gross unearned income of the MP(s).
- Step 4: Subtract 100% FPL in Appendix A for the number of ineligibles living in the home, who are, or could be, claimed as dependents by the MP(s) for federal income tax purposes.
- Step 5: Subtract any additional amounts the MP(s) actually pays to persons not living in the home, but who are, or could be, claimed as dependents for federal income tax purposes.
- Step 6: Subtract any child support or alimony actually paid by the MP(s) to individuals not living in the home.

The remaining amount, if any, is deemed as unearned income to the minor pregnant woman.

NOTE: This only applies to income of the MP(s), not the stepparent. The income of the stepparent is not deemed.

5. Strikers

The presence of a striker in the AG, Income or Needs Group of the Poverty-Level pregnant woman has no bearing on the pregnant woman's eligibility.

6. Irregular Income

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

7. Lump Sum Payments

Lump sum payments are counted as income only when they are received in the month of application. They are treated the same way they are for AFDC Medicaid. See Section 10.7,D. The only difference is that 150% FPL is used to determine the amount counted as income each month, instead of the 100% Standard of Need. Lump sum payments received in any other eligible month are excluded.

This income is counted continuously for the number of months determined, even if the case is not continuously active.

EXAMPLE: A parent receives a lump sum payment in January. It is determined that \$786 is counted as income for 8 months. This amount, along with other income, makes the pregnant woman ineligible, and the application is denied. In April, the family reapplies; the \$786 continues to be counted as income through August.

8. Withheld Income

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

9. Funds Diverted To A PASS

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

10. Unstated Income

There is no provision that allows for counting unstated income.

11. Spenddown

This is no spenddown provision.

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-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.

14. Income Received From Military Personnel Deployed to a Designated Combat Zone

There is no provision for excluding income received as a result of service in a designated combat zone.