

**10.15 MEDICAID FOR DEEMED SSI RECIPIENTS (Categorically Needy, Mandatory)**

**NOTE:** The spenddown provision does not apply.

Income eligibility is determined by SSA or the BMS Buy-In Unit for the following coverage groups: DAC, SGA, Essential Spouses, Pass-Throughs, Disabled Widows/Widowers and Drug Addicts/Alcoholics. See Section 16.6.

Only one Deemed SSI Recipient coverage group requires income calculations. Those eligible for PICKLE AMENDMENT COVERAGE (PAC) are addressed in this Section.

**A. BUDGETING METHOD**

The only two times the budgeting methods in Section 10.6,B are used is in:

- Item C,1, Step 3.
- Item C,2, Step 3.

In other steps of the process, the Worker uses the actual RSDI amounts.

**B. INCOME DISREGARDS AND DEDUCTIONS**

See Section 10.22,B for SSI disregards and deductions which are used for this coverage group.

**C. DETERMINING ELIGIBILITY**

There are two methods by which income eligibility as a PAC may be determined. Method 1 offers a shorter, simpler method, but, if its use results in ineligibility by \$20 or less, the Worker must use the more exact Method 2. When calculations using Method 2 result in an individual's ineligibility by less than two dollars, the local office contact Worker contacts SSA to confirm the PAC eligibility decision.

**1. Method 1**

Step 1: Determine the last month and year in which the client received SSI and RSDI concurrently, i.e., at the same time.

**NOTE:** The individual who received SSI and was found retroactively eligible for RSDI is considered to have received SSI and RSDI concurrently. RSDI payments are received the month following the month of entitlement.

**EXAMPLE:** The RSDI entitlement for December is received in January.

## Income

- Step 2: Using Appendix E, find the percentage that applies to that year and multiply the current RSDI amount for the client and/or his financially-responsible parent or spouse by that percentage Drop any cents.
- Step 3: Add any other current countable income.
- Step 4: Apply the disregards and deductions from item B above. If the remaining amount is less than the current SSI maximum payment, the client is income-eligible.

**EXAMPLE:** Mr. Doe received RSDI/SSI at the same time for several years until his SSI stopped in December, 1989. His current RSDI amount is \$701. Using the 1989 multiplier found in Appendix E,  $\$701 \times .547 = \$383$ , which is less than the current SSI payment rate of \$674. Mr. Doe has no other income. He is income eligible as a PAC.

**EXAMPLE:** Ms. A, age 55 and single, has assets of less than \$2,000. She receives RSDI of \$800 a month in 2004. In order to qualify for SSI-Related Medicaid, she must meet a spenddown. She first applied for RSDI and SSI in October 1985. She was approved for SSI and was paid SSI for October 1985 through December 1986. She received her first RSDI check in December 1986 which resulted in the loss of SSI payments in December 1986. In 2004, the Worker screens Ms. A for PAC. Her RSDI benefit of \$800 is multiplied by .498, the amount for 1986 found in Appendix E for Method 1. Her countable RSDI income for PAC is \$476, which is less than the current SSI amount of \$674, and she qualifies for PAC.

**EXAMPLE:** In 2004, Mrs. B lives with her husband, Sam B. He is 75 years old and receives RSDI of \$575. He never received SSI. Mrs. B is 70 years old and receives \$450 RSDI. The couple's total combined monthly income is \$1025, which exceeds the current SSI amount of \$846 for a couple, even after the \$20 disregard. Mrs. B received both RSDI and SSI until she married Sam in 1991. Her SSI was terminated after the marriage due to excessive income for a couple. To determine potential PAC eligibility, the combined RSDI income of \$1025 is multiplied by .722, the amount for 1991 found in Appendix E for Method 1. Their combined countable RSDI amount is \$740, which is less than the current SSI amount for a couple of \$1,011. Mrs. B qualifies for PAC coverage. Her husband is not PAC eligible because he did not receive SSI.

**NOTE:** If the client is ineligible by \$20 or less, Method 2 must be used as the final eligibility determination.

## 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.

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**Income**

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## 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.

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**Income**

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## 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.

## 15. Income Belonging To or For the Benefit of a Child

The source of the income must be known and Section 10.3 consulted for how the income is treated.