

## **0334 Determining Income Eligibility**

Repealed October 2013

### **~~0334.05 Introduction~~**

~~REV:01/2002~~

~~Families applying for Medical Assistance are treated as financial units. Treating a family as a financial unit recognizes the reality that families do indeed function as a single economic unit. While not required to apply, an individual family member MUST be included when determining Medical Assistance eligibility for other family members if the individual has financial responsibility for another Medical Assistance applicant.~~

~~Certain types of income are excluded, i.e., not considered, under the rules of the Medical Assistance Program. For a list of the types of income excluded from Medical Assistance financial determinations, see Section 0330.20 of the Rhode Island Department of Human Services Manual.~~

~~In addition to excludable income, a portion of an individual's income may be disregarded (deducted). The Medical Assistance Program recognizes the \$90 work expense disregard, the dependent care disregard, and the \$50 child support disregard. The dependent care disregard (DHS Day Care Subsidy plus the individual's copayment) allows a disregard not to exceed \$175 per month per child, age two years and older or an incapacitated adult. For a child under the age of two years, this disregard may not exceed \$200 per month. Payments actually made for dependent care must be verified. Consideration of the dependent care expense is only given when the care is provided by a person not living in the child's or incapacitated adult's household.~~

~~When determining countable income, first eliminate excludable income. Next apply the \$90 work expense disregard to the earned income of each employed individual. If applicable, next apply the dependent care disregard to the family's income and finally, apply the \$50.00 child support disregard to the family's income.~~

~~The balance of the earned income together with any unearned income is the countable income.~~

~~In Medical Assistance family related income eligibility determinations, the amount of countable income must first be determined and then compared to the appropriate income standard.~~

~~If countable income is equal to or less than the standard, eligibility exists. Eligibility for Medical Assistance cannot be established if the countable income is greater than the standard.~~

### **~~0334.10 DEFINITIONS~~**

~~REV:07/1994~~

~~To make a Medical Assistance financial determination, the following three components must be identified:~~

- ~~● Household unit;~~
- ~~● Applicant unit;~~

- ~~Financial unit.~~

### **0334.10.05 Household Unit**

REV:01/2002

~~The Household Unit is comprised of ALL individuals listed on the MARC 1 Application or DHS-2 Statement of Need as living in the household. The Household Unit is used to:~~

- ~~Identify Medical Assistance applicants;~~
- ~~Evaluate members according to the FIP rules of relationship;~~
- ~~Assess financial responsibility; and~~
- ~~When necessary, establish the characteristics of absence, unemployment, death and incapacity.~~

~~Each individual must be evaluated to determine if the individual:~~

- ~~Is a Medical Assistance applicant;~~
- ~~Is a relative of acceptable degree under the FIP rules of relationship;~~
- ~~Is financially responsible for another individual in the Household Unit who is a Medical Assistance applicant;~~
- ~~Requires a characteristic of program eligibility.~~

### **0334.10.10 MA Applicant Unit**

REV:07/1994

~~The Applicant Unit is used to identify those members of the Household Unit who are applying for Medical Assistance. The members of the Applicant Unit will form the foundation on which the third component, the Financial Unit, will be constructed.~~

### **0334.10.15 Financial Unit**

REV:01/2002

~~The Financial Unit has two elements; the TOTAL NUMBER OF INDIVIDUALS in the financial unit and the TOTAL AMOUNT OF COUNTABLE INCOME those individuals bring to the financial unit.~~

~~The Financial Unit is used to determine the amount of the family's countable income and the size of the Medical Assistance standard against which that income will be tested.~~

~~The Financial Unit draws its members only from the Household Unit. No consideration is given for support for individuals who do not live in the applicant household. A referral to Child Support Enforcement(CSE) initiates the process of obtaining support from absent members.~~

~~When constructing the Financial Unit, include the following household members and their countable income.~~

~~FIRST include:~~

- ~~• All Medical Assistance applicants; and~~
- ~~• All household members for whom an applicant has financial responsibility.~~

~~NEXT include:~~

- ~~• All household members who have financial responsibility for an applicant;~~
- ~~• Any other household member for whom such individual has financial responsibility.~~

~~FINALLY, include, if not already included:~~

- ~~• The step-parent of an applicant minor child; and,~~
- ~~• Any other household members for whom such individual has financial responsibility.~~

~~Therefore, when determining the Financial Unit, INCLUDE THE FOLLOWING INDIVIDUALS AND THEIR COUNTABLE INCOME:~~

- ~~• IF THE APPLICANT IS A CHILD, include the applicant child. Also include the child's natural or adoptive parent(s) and minor siblings, and the child's step parent and minor step-siblings (if any), if living in the household and whether or not they are applying.~~
- ~~• IF THE APPLICANT IS A PARENT, include the applicant parent. Also include the parent's minor natural or adoptive children, the parent's spouse, and the parent's minor step-child(ren) (if any), if living in the household and whether or not they are applying.~~
- ~~• IF THE APPLICANT IS A STEP PARENT, include the applicant step parent. Also include the step parent's minor natural or adoptive children, the step parent's spouse, and the step parent's minor step child(ren) (if any), if living in the household and whether or not they are applying.~~

### ~~0334.15 GROUP SIZE AND COUNTABLE INCOME~~

~~REV:07/1994~~

~~Once the financial unit has been constructed, determine:~~

- ~~o The total number of individuals in the financial unit; and~~
- ~~o The total amount of countable income in the financial unit.~~

**0334.20 STANDARD OF ELIGIBILITY**

REV:07/1994

~~When the total number of individuals and the total amount of countable income of the Financial Unit has been determined, establish eligibility for each applicant as follows:~~

~~For EACH applicant:~~

- ~~• Determine the individual's APPROPRIATE Medical Assistance income standard, e.g., one of the federal poverty level standards if the applicant is a poverty level pregnant woman or a poverty level child, or the categorically needy standard, or the medically needy standard;~~
- ~~• Determine the amount of the standard to be tested based on a group size comparable to the TOTAL number of individuals in the Financial Unit;~~
- ~~• Compare the TOTAL amount of countable income of the Financial Unit to the MA standard for the group size comparable to the total number of individuals in the Financial Unit.~~
- ~~• Certify each ELIGIBLE APPLICANT for the correct scope of Medical Assistance benefits.~~