
INCOME

GENERAL-INCOME RULES

**A. WHAT IS
INCOME**

Income is anything an individual receives in cash (and is cases in-kind) that can be used to meet his/her needs for food, clothing or shelter. Medicaid is required, in accordance with 42 CFR 435.721, to use SSI financial eligibility requirements. SSI income policy applies unless a subsequently issued Medicaid statute or regulation supersedes the SSI policy. The following income rules are based on SSI income policy.

**1. SSI
Income
Rules**

- Income is counted on a monthly basis.
- An individual who has too much income in a particular month is not eligible for Medicaid for that month.
- Not all income counts in determining eligibility.
- Income may include more or less than is actually received. For example:
 - Expenses of obtaining income (less)
 - Garnishment (more)
 - Gross earnings, before any deductions (more).

**2. Relationship
of Income
to Resources**

In general, anything received in a month, from any source, is income to an individual, subject to SSI's definition of income.

Anything the individual owned prior to the month under consideration is subject to the resource counting rules.

An item received for the current month is income for the current month only. If held by the individual until the following month, that item is subject to resource counting rules. Any exceptions to this rule are noted in the discussion of the particular type of income involved.

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**3. Types of
Income**

Income is either earned or unearned, and different rules apply to each. Each type of income is discussed in detail in this section.