BUDGETING FOR AT-HOME ELIGIBILITY
BUDGETING METHODOLOGY

B.   BUDGETING   The following MAO At-Home coverage groups have the
**   FOR MAO**   following in common:
**   AT-HOME**
**   CLIENTS**   -   All groups use the Federal Poverty Level (FPL) as the
                                                    basis for determining income eligibility, although a
                                                    different percentage of the FPL is applied depending
                                                    on the group.

                                         -          Countable income <u>can be equal</u> to but cannot exceed
                                                    the appropriate FPL used in budgeting. Since this is
                                                    true, anyone whose income is equal to the FPL must
                                                    be monitored closely for any possible increases in
                                                    income (such as when State Buy-In occurs).

                                         -          Federal Poverty Levels are not published until
                                                    February or March each year. Since Social Security
                                                    cost-of-living increases are awarded in January
                                                    benefit checks, it is mandated by federal law that the
                                                    title II cost-of-living increase received in January is
                                                    disregarded for cases using FPL's as the need standard
                                                    until such time as the new FPL's are published and
                                                    implemented each year.   The title II increase is
                                                    disregarded for each applicant and recipient <u>and</u> to
                                                    any ineligible spouse's title II benefits in determining
                                                    income eligibility in budgeting for January until the
                                                    time the new FPL's are implemented.   After new
                                                    FPL's are implemented, the client(s) must remain
                                                    eligible without the title II disregard in order for
                                                    eligibility to continue.

                                         -          Mixed budgeting methodologies are not allowed
                                                    between Former SSI Recipient budgeting and MAO
                                                    At-Home budgeting procedures. For example, any
                                                    disregards allowed for former SSI recipients are not
                                                    allowed in budgeting for MAO At-Home recipients.

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- An individual or couple who would be eligible for SSI based on income may choose to apply for Medicaid only as at-home eligible. The individual is not required to apply for SSI if he/she chooses to apply for MAO at-home coverage.

1. PLAD

PLAD budgeting is based on 100% of the FPL. All appropriate income exclusions apply except for those reserved for former SSI recipients, i.e., no mixed budgeting allowed.

There is no in-kind support and maintenance (ISM) counted as income in PLAD budgeting.

2. QMB

QMB budgeting is based on 100% of the FPL. All appropriate income exclusions apply except for those reserved for former SSI recipients, i.e., no mixed budgeting allowed.

There is no in-kind support and maintenance (ISM) counted as income in QMB budgeting.

3. SLMB

SLMB budgeting is based on 120% of the FPL. All appropriate income exclusions apply (except for those reserved for former SSI recipients). No in-kind support and maintenance (ISM) is counted as income in SLMB budgeting.

4. QWDI

QWDI budgeting is based on 200% of the FPL. All appropriate income exclusions apply; however, SSI policy and not liberalized policy applies to QWDI eligibles. This means that it is possible to count in-kind support and maintenance as income in the QWDI budget.

All applications for QWDI status must be submitted to the State Office for review prior to approval.

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5.   **Working**   Working Disabled budgeting is based on 250% of the FPL.
         Disabled   All appropriate disregards and exemptions, including the
                              earned income disregard apply. This is a two step process.

                              -   Step 1 is a net income test based on the family's
                                  earned income. The net income must be less than
                                  250% of the FPL for the family of the size involved.
                                  (The family size will either be one or two.)

                              -   Assuming the individual has met the net family
                                  income test, the second step is a determination of
                                  whether the individual meets the unearned income
                                  standards to receive an SSI benefit. All earned
                                  income received by the individual is disregarded. If
                                  the individual has an ineligible spouse, SSI deeming
                                  rules apply. The countable unearned income must be
                                  less than the SSI income standard.

         Policy   Effective July 1, 2000, the maximum unearned income limit
         Liberalization   will be 135% of poverty.

                              Effective 07/01/99 - 06/30/2000, the unearned income could
                              not exceed the SSI income standard. The Poverty Level chart
                              is located in the Appendix.