

MISSISSIPPI DIVISION OF MEDICAID

Eligibility Policy and Procedures Manual

200.02 WHAT IS INCOME

Income is defined as any item an individual receives in cash (or in some cases in-kind) that can be used to meet his/her needs for food or shelter.

NOTE: Effective March 9, 2005, clothing is no longer considered a basic need for SSI purposes.

200.02.01 RELATIONSHIP OF INCOME TO RESOURCES

The following must be considered in determining the relationship of income to resources:

- Anything received in a month, from any source is income to an individual, subject to the SSI definition of income.
- Anything the individual owned prior to the month under consideration is subject to resource counting rules.
- The same item cannot be counted as both a resource and income in the same month. 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 are noted in the discussion of the particular type of income involved.

Example: Mr. Jones receives his Social Security check in March. It is directly deposited into his checking account. Count the Social Security check as income in March and subtract the deposit from the checking account to determine how much he has in resources for March.

If Mr. Jones carries all or part of the check into April, the remaining amount is counted as a resource.

200.02.02 TYPES OF INCOME

Income is either earned or unearned. Different rules apply to each type. Some examples of the types of income are listed below.

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TYPES OF INCOME (Continued)

TYPES OF EARNED INCOME
Earned income consists of the following types of payments: <ul style="list-style-type: none">• Wages• Net earnings from self-employment (NESE)• Payments for services performed in a sheltered workshop or work activities center• Royalties earned by an individual in connection with any publication of his work and any honoraria received for services rendered
TYPES OF UNEARNED INCOME
Unearned income consists of the following types of payments: <ul style="list-style-type: none">• Annuities, pensions, and other periodic payments• Alimony and support payments• Dividends, Interest and royalties (except for royalties mentioned above)• Rents• Benefits received as the result of another's death to the extent that the total amount exceed expenses of the deceased last illness and burial paid by the beneficiary• Prizes and awards• In-kind support and maintenance

200.02.03 **FORMS OF INCOME**

Whether earned or unearned, income may be received in either of two forms:

- **Cash** – Currency, checks, money orders or Electronic Funds Transfers (EFT), such as:
 - Social Security
 - Unemployment Compensation
 - Wages
- **In-kind** – Items such as:
 - Shelter
 - Food
 - Clothing (Before March 9, 2005)
 - Non-cash wages (such as room and board as compensation for employment)