

MISSISSIPPI DIVISION OF MEDICAID

Eligibility Policy and Procedures Manual

200.02.04 EFFECT OF GARNISHMENT OR SEIZURE

A garnishment or seizure is a withholding of an amount from earned or unearned income in order to satisfy a debt or legal obligation. Amounts withheld from earned or unearned income to satisfy a debt or legal obligation are income for Medicaid purposes.

Example: Ms. Jones' wages are being garnished to repay a delinquent debt. The amount withheld for the garnishment is countable income.

200.02.05 WHEN INCOME IS COUNTED

Generally, count income in the earliest month it is:

- Received by the individual;
- Credited to an individual's account; or
- Set aside for an individual's use.

For Medicaid eligibility purposes, all income is determined monthly and counted in the month the income is received.

NOTE: For institutional clients, income that varies in amount or frequency is averaged to determine Medicaid Income provided the client is income-eligible for Medicaid in the month the payment is received without averaging.

Exceptions to Counting Income in the Month of Receipt

Occasionally, a periodic payment (like wages, Title II or VA benefits) is received in a month other than the month of normal receipt. As long as there is no intent to interrupt the regular payment schedule, the funds are considered to be income in the normal month of receipt.

The most common types of situations where this would apply are:

- **Advance Dated Checks** - When the payer advance dates a check because the regular payment date falls on a weekend or holiday, there is no intent to change the normal delivery date. When this occurs, consider the check income in the normal month of receipt.
- **Electronic Funds Transfer** – When an individual's money goes to a bank by direct deposit, the funds may be posted to an account before or after the month they are payable. When this occurs, treat the electronically transferred funds as income in the month of normal receipt.