

# MISSISSIPPI DIVISION OF MEDICAID

## Eligibility Policy and Procedures Manual

CHAPTER 200 – Income: Aged, Blind and Disabled (ABD) Categories

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### **200.05.02 STUDENT EARNED INCOME EXCLUSION (SEIE)**

Effective April 1, 2005, the Student Earned Income Exclusion was extended to all individuals who are working students under the age of 22, not just those who meet the SSI definition of a child. The SEIE will apply to earnings deemed from an ineligible spouse or parent(s) and it will apply to the joint earned income of eligible couples when both members are under age 22 and are working students. The SEIE allows an individual under age 22 and regularly attending school to have earnings up to a monthly maximum, but not more than an annual maximum. The monthly and yearly limits are adjusted annually based on cost of living index increases, if applicable. The monthly and yearly maximum exclusion amounts are located in the Appendix, entitled Student Earned Income Exclusion Chart.

#### **Qualifying for the SEIE Effective April 1, 2005**

To qualify for this exclusion, the individual must be:

- Under age 22 and
- A student regularly attending school

This exclusion may apply to an eligible or ineligible:

- Individual
- Child
- Spouse or
- Parent(s)

#### **Application of the Exclusion**

Apply the exclusion as follows:

- Consecutively to months in which there is earned income until the maximum yearly exclusion is exhausted or the individual is no longer a student under age 22; and
- Only to a student's own earned income
- Before applying any portion of the general income exclusion which has not been deducted from unearned income and before applying the \$65 plus one-half of the remaining income.

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**Example:** Jim Thayer, a 20 year old student, takes a summer job doing computer programming. He had no prior earnings during the year and he has no unearned income. He earns \$2000 in June, July and August, 2010. His countable income is computed as follows for these months:

\$2000	Gross Earnings
<u>-1640</u>	Student Exclusion
360	
<u>- 50</u>	General Income Exclusion
310	
<u>- 65</u>	Earned Income Exclusion
245	
<u>-122.50</u>	One-Half Remainder
\$122.50	Countable Income

Jim has used \$4920 of his \$6600 student earned income exclusion (\$1640 for June, July and August). He has \$1680 left to be excluded over the remaining calendar year should he have other earned income through December of 2010.