

MISSISSIPPI DIVISION OF MEDICAID

Eligibility Policy and Procedures Manual

200.06.05 **GARNISHMENT OR OTHER WITHHOLDING**

Unearned income includes amounts withheld because of a garnishment or to make certain other payments (such as Medicare premiums).

Unearned income includes amounts withheld whether the withholding is:

- Purely voluntary;
- To repay a debt; or
- To meet a legal obligation.

NOTE: This policy does not apply to amounts withheld to pay the expenses of obtaining the income since such amounts are not income.

The following are types of items for which amounts may be withheld, but the withheld amounts <u>are</u> considered income received:	
Federal, State or Local Income Taxes	Life or Health Insurance Premiums
Supplementary Medical Insurance (SMI) – Medicare Part B	Union Dues
Loan Payments	Garnishments
Child Support	Bank Service Charges

Return of Money Previously Deducted

If any of the types of deductions listed above are later returned to the individual by the original source, agency or organization which received the deduction (e.g., refund of Medicare premiums), the refunded amounts cannot again be income.

However, refunded amounts can be available resources when received and would be counted if retained into the following month.