

# MISSISSIPPI DIVISION OF MEDICAID

## Eligibility Policy and Procedures Manual

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

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### **OTHER GRANTS, SCHOLARSHIPS, FELLOWSHIPS AND GIFTS (Continued)**

#### **Treatment of Grants, Scholarships, Fellowships or Gifts Not Used or Set Aside**

Any portion of grants, scholarships, fellowships, or gifts that is not used or set aside for paying tuition, fees, or other necessary educational expenses is income in the month received and a resource the month after the month of receipt, if retained.

#### **Treatment of Funds Set Aside, But Not Used for Paying Educational Expenses**

If any portion of grants, scholarships, fellowships or gifts that is excluded from resource because it is set aside to pay for necessary educational expenses is used for some other purpose, the funds are income at the earliest of the following points:

- In the month that it is spent; or
- The month the individual no longer intends to use the funds to pay necessary educational expense.

#### **Excluded Funds Not Spent**

If the funds set aside to pay for necessary educational expenses are not spent after the 9<sup>th</sup> month, they are countable resources as of the 10<sup>th</sup> month following the month of receipt.

### **200.07.31C DETERMINING COUNTABLE AND EXCLUDABLE AMOUNTS OF ASSISTANCE**

- Verify that the assistance is a grant, scholarship, fellowship or gift.
  - Use documents in the individual's possession, contact with the institution or provider to verify the nature of the assistance. If the assistance is not totally excluded as Title IV HEA or BIA, verify the amount, date(s) of payment, payee and source of payment/payer, etc.
- Determine the amount of tuition, fees, and other necessary educational expenses.
  - Use receipts, bills with cancelled checks, contact with the provider, etc., to verify expenses paid. If an expense is verified as incurred, but not paid, assume it will be paid. A signed allegation is acceptable evidence of expenses when it is unreasonable to obtain other evidence, e.g., daily bus fare, small expendable items, etc., but this does not apply to tuition, fees or books.

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### **DETERMINING COUNTABLE AND EXCLUDABLE AMOUNTS OF ASSISTANCE** (Continued)

- Deduct the amount of tuition, fees and other necessary expenses from the gross amount of assistance.
- Exclude any remainder from income if the individual alleges it will be used for necessary educational expenses.
  - Any portion not used or set aside is income in the month received and a resource the following month.
- Inform the individual that he must report if the money is spent for a purpose other than educational expenses or if he changes his intent to spend it on educational expenses.
- Count any portion of grants, scholarships, fellowships or gifts as income in the earliest of either month it is spent for something other than educational expenses or the month the individual no longer intends to use the money for educational expenses.
- Any funds not spent after the 9<sup>th</sup> month are counted as a resource beginning the 10<sup>th</sup> month following month of receipt.
  - Interest and dividends earned on grants, scholarships, fellowships or gifts which are excluded as a resource count as income. Interest and dividends earned on educational assistance which is a countable resource are excluded as income.