

# MISSISSIPPI DIVISION OF MEDICAID

## Eligibility Policy and Procedures Manual

### **INCOME COMPUTATIONS** (Continued)

#### **200.11.03 INCOME BREAK-EVEN POINTS**

An income break-even point is the earned or unearned income amount an individual can have so that countable income equals the applicable FPR or FPL. Medicaid eligibility does not exist at or above that break-even point.

Break-even points for SSI FBR cases:

- 2 times FBR + \$85 = monthly earned income break-even point;
- FBR + \$20 = monthly unearned income break-even point.

Break-even points for FPL cases:

- 2 times FPL + \$115 = monthly earned income break-even point effective July 1, 1999.
- 2 times FPL + \$85 = monthly earned income break-even point prior to July 1, 1999.
- FPL + \$50 = monthly unearned income break-even point effective July 1, 1999.
- FPL + \$20 = monthly unearned income break-even point prior to July 1, 1999.

For institutional cases, total income, whether earned or unearned, cannot equal or exceed the institutional limit.

#### **200.11.04 DEEMED INCOME**

The term “deeming” identifies the process of considering another person’s income and resources to be available for meeting a Medicaid client’s basic needs. Deemed income and resources are attributed to an eligible individual whether or not they are actually made available, with the following restrictions:

- Deeming only applies in household situations;
- Income is only deemed from an ineligible spouse to an eligible spouse and from ineligible parent(s) to eligible child.

**NOTE:** Deeming of income is not applied in the eligibility determination for either an institutional or community spouse and deemed income is never included in the Medicaid Income computation post-eligibility. Deeming of spousal or parental income is also prohibited for individuals considered to be institutionalized, i.e., HCBS and DCLH applicants and recipients.

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### **DEEMED INCOME** (Continued)

Deeming is based on the concept that a husband and wife (including “holding out” couples) and/or parents and child who live together have a responsibility for each other and share income and resources. Both SSI and Medicaid regulations require deeming in household situations.

#### **200.11.04A ALLOCATIONS**

It would not be equitable to deem the entire amount of an ineligible parent’s or spouse’s income to the eligible individual without some provision to permit the deeming to meet his own needs and those of ineligible children in the household. An allocation is an amount deducted from income subject to deeming, which is considered to be set aside for the support of certain individuals other than the eligible individual. Based on this consideration, allocations are applied for the following:

- Ineligible parent(s); and
- Ineligible children in the household.

Application of these allocations reduces the amount of income available for deeming.

#### **200.11.04B DEFINITION OF ELIGIBLE CHILD FOR DEEMING**

A child is someone who is neither married nor the head of a household and is:

- Under age 18 or
- Under age 22 and a student.

For deeming purposes, an eligible child is the either the natural or adopted child under age 18, who is living in household with one or both parents, and, in addition:

- The child is not married, and
- The child is eligible for, or applying for, ABD Medicaid.

Deeming no longer applies beginning the month following the month the eligible child attains age 18.

**NOTE:** An individual attains a particular age on the day preceding the anniversary of his/her birth. Deeming applies in the month of attainment of age 18 regardless of whether the application filed that month is filed before or after the day of attainment.

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### **200.11.04C DEFINITION OF INELIGIBLE CHILD FOR DEEMING**

An ineligible child for deeming purposes is either a natural or an adopted child of an:

- Eligible individual or the eligible individual's spouse; or
- Ineligible parent or the ineligible parent's spouse.

In addition to the general definition of a child, an ineligible child must also be unmarried and:

- Under age 18 or
- Under age 22 and a student. (**NOTE:** Prior to 06/16/08, an ineligible student child could remain a "child" for deeming purposes only until age 21) and
- Living in the same household with an eligible individual.

**NOTE:** The definition of an "ineligible child", for ABD purposes, assumes the child is not applying for, or receiving, these specific benefits: SSI, TANF or Medicaid through DCLH.

A child applying for, or receiving, these benefits cannot receive an "ineligible child" allocation from an ineligible parent in the deeming process. However, a child applying for, or receiving, Medicaid or CHIP based on MAGI methodology can be considered for an allocation.

### **200.11.04D DEFINITION OF PARENT FOR DEEMING**

A parent whose income and resources are subject to deeming is one who lives in the same household with an eligible child and is:

- A natural parent of the child;
- An adoptive parent of the child.

Deem a parent's income and resources to an eligible child beginning the month:

- After the month the child comes home to live with the parent(s)(e.g., the month following the month the child comes home from the hospital; or
- Of birth when a child is born in the parent's home;
- After the month of adoption (the month of adoption is the month the adoption becomes final).

Deeming is applied from parent to child when they live together in the same household. When the child lives with a stepparent, the stepparent is not considered a parent or spouse of a parent of the eligible child for deeming purposes. Other relatives