

**CATEGORICAL FACTORS**

**MEDICAID BUY-IN PROGRAM FOR WORKING PEOPLE WITH DISABILITIES**

**Policy:** Sections 62-69 of Part A of Chapter 1 of the Laws of 2002 extends Medicaid coverage to working disabled applicants/recipients (A/Rs) who have net incomes at or below 250% of the Federal Poverty Level (FPL) and non-exempt resources at or below the appropriate Medicaid Resource Level.

Unlike other Medicaid programs, the Medicaid Buy-In Program for Working People with Disabilities (MBI-WPD) is a work incentive program and work activity is a requirement of eligibility.

SSI-related budgeting, including allocation and deeming, is used for determining net available income and resources. (See **INCOME MEDICAID BUY-IN PROGRAM FOR WORKING PEOPLE WITH DISABILITIES** for a discussion on budgeting of income and **RESOURCES MEDICAID BUY-IN PROGRAM FOR WORKING PEOPLE WITH DISABILITIES** for budgeting of resources.)

Individuals in the MBI-WPD program may attest to resources if not requesting Medicaid coverage of long term care services.

Managed Care is a voluntary option for MBI-WPD individuals who are income eligible under 150% FPL. Mandatory Managed Care counties cannot require these individuals to enroll in a Managed Care plan. MBI-WPD individuals with income at or above 150% FPL are excluded from Managed Care. Such individuals may voluntarily participate in Managed Long Term Care.

**References:**

SSL Sect.	366(1)(a)(12) & (13)
ADM	10 OHIP/ADM-2 04 OMM/ADM-5 03 OMM/ADM-4
GISs	10 MA/003 09 MA/015 08 MA/027 08 MA/004

**Interpretation:** The Medicaid Buy-In program for Working People with Disabilities (MBI-WPD) consists of two groups of A/Rs, the Basic Coverage Group and the Medical Improvement Group. For eligibility in either group, work activity must be documented.

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#### A. The Basic Coverage Group

The Basic Coverage Group includes individuals who meet the following requirements:

- The A/R is certified disabled (See **CATEGORICAL FACTORS SSI-RELATED BLINDNESS AND SSI-RELATED DISABILITY AND ACCEPTABLE PROOF OF DISABILITY**).
- The A/R is at least 16 years of age, but under the age of 65.
- The A/R is working and receiving financial compensation. There is no minimum number of hours that an individual must work per month, nor is there a minimum wage requirement. However, there must be work activity in each month that MBI-WPD coverage is sought, unless the individual has been granted a grace period.
- The A/R has a net income at or below 250% of the FPL.
- The A/R has non-exempt resources that do not exceed the appropriate Medicaid Resource Level.

#### 1. Basic Coverage Group Work Requirements

For the MBI-WPD program, work consists of engagement in a work activity for which financial compensation is received. The Basic Group has no minimum number of hours for such work activity.

Proof of work activity includes: current pay stub(s); paycheck(s) or a detailed written statement from an employer. If these documents are not available, the individual's income tax return, W-2 form, or records of bank deposits may be used. If an individual is not required to pay taxes, a sheltered workshop employee, for example, the applicant is not denied eligibility for the MBI-WPD program.

A time-limited activity that prepares an individual for work, such as a training program, does not meet the work requirement because it is preparation for work. Once a training program is completed and employment secured, an individual may be eligible for the MBI-WPD program.

Seasonal work may be considered work for the MBI-WPD program for the duration of the employment. If the work ends, a grace period may be granted if the individual continues to look for employment.

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#### 2. Grace Periods for the Basic Coverage Group

Grace periods for the Basic Coverage Group allow for lapses in work activity due to job loss or a change in medical condition that is through no fault of the individual. The Job Loss Grace Period and the Change in Medical Condition Grace Period provide coverage up to six months in a twelve-month period. Multiple grace periods are allowed in the twelve-month period but the sum of the grace periods may not exceed six months. The first day of the grace period starts the twelve-month period. Both types of grace periods require written verification, one from the employer for the job loss grace period and one from an acceptable medical source for the change in medical condition grace period. If the recipient has not secured employment by the end of the grace period, his or her eligibility for MBI-WPD ends and continued eligibility under other Medicaid programs must be evaluated.

#### **B. The Medical Improvement Group**

The Medical Improvement Group includes individuals who meet the following requirements:

- The A/R is at least 16 years of age, but under the age of 65.
- The A/R has a net income at or below 250% FPL.
- The A/R has non-exempt resources that do not exceed the appropriate Medicaid resource level.
- The A/R has lost eligibility under the Basic Coverage Group due to the direct and specific result of medical improvement. The A/R is no longer certified disabled, but continues to have a severe medically determined impairment. A recipient can only be added to the Medical Improvement Group by action of the State Disability Review Team at the time of a Continuing Disability Review (CDR).
- The A/R is working and receiving financial compensation. The A/R in the Medical Improvement Group must be employed at least 40 hours per month and earn at least the federally required minimum wage.

#### 1. Medical Improvement Group Work Requirements

For the MBI-WPD program work, consists of engagement in a work activity for which financial compensation is received. For the Medical Improvement Group, work activity must be at least 40 hours per month and paid at no less than the applicable federal minimum wage.

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A time-limited activity that prepares an individual for work, such as a training program, does not meet the work requirement because it is preparation for work. Once a training program is completed and employment secured, an individual may be eligible for the MBI-WPD program.

Seasonal work may be considered work for the MBI-WPD program for the duration of the employment. If the work ends, a grace period may be granted if the individual continues to look for employment.

#### 2. Grace Periods for the Medical Improvement Group

Grace periods for the Medical Improvement Group allow for lapses in work activity due to job loss or a change in medical condition that is through no fault of the individual. The Job Loss Grace Period and the Change in Medical Condition Grace Period provide coverage up to six months in a twelve-month period. Multiple grace periods are allowed in the twelve-month period but the sum of the grace periods may not exceed six months. The first day of the first grace period starts the twelve-month period. Both types of grace periods require written verification, one from the employer for the job loss grace period and one from an acceptable medical source for the change in medical condition grace period. If the recipient has not secured employment by the end of the grace period, his or her eligibility for MBI-WPD ends and continued eligibility under other Medicaid programs must be evaluated.

#### **NOTE:**

- Grace periods may be authorized if the individual's income does not meet the hourly work and/or wage requirement. This may be due to a job loss or change in medical condition. Written verification for either grace period is required.
- If, at the end of a change in medical condition grace period, the individual continues to work less than 40 hours a month, a Continuing Disability Review (CDR) must be performed to determine eligibility for the Basic Coverage Group. If an individual is not working at the end of a job loss grace period,

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- If an individual is not working at the end of a job loss grace period, Medicaid eligibility must be determined in a non-SSI-related category, as the individual is medically improved, and not disabled. If the individual needs a disability determination, a CDR must be performed for the Aid to the Disabled program.
3. Other Medical Improvement Group Work Issues
- Local districts must review the individual's work activity and wage rate every 6 months.
  - If the individual's income does not meet the hourly work and/or wage requirement or has increased or decreased at the time of the 6 month work and wage review, the local district must re-determine eligibility for the MBI-WPD program and/or determine eligibility for other Medicaid programs and take appropriate action. If the individual's work hours fall below the required 40 hours or the minimum wage requirement, the individual may be eligible for a grace period.
  - To determine the hourly wage for a self-employed individual in the Medical Improvement Group, gross monthly income is divided by the number of hours worked as attested by the recipient. The result is rounded to the nearest penny and compared to the federal minimum wage.

**NOTE:** The six-month work and wage check does not eliminate the recipient's responsibility to report any change income within 10 days of the change.