

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.)

References:

SSL Sect.	366(1)(a)(12) & (13)
ADM	04 OMM/ADM-5 03 OMM/ADM-4
GIS	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.

The Basic Coverage Group includes individuals who meet the following criteria.

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. The A/R pays all applicable state and federal income and payroll taxes. 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

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

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.

The Medical Improvement Group includes individuals who meet the above criteria and have lost eligibility under the Basic Coverage Group. The loss of eligibility under the Basic Coverage Group is the direct and specific result of loss of disability status because of medical improvement. The A/R is no longer certified disabled, but continues to have a severe medically determined impairment. A recipient in the Medical Improvement Group must be employed at least 40 hours per month and earn at least the federally required minimum wage. There must be work activity in each month that MBI-WPD coverage is sought, unless the individual has been granted a grace period. A recipient can only be added to the Medical Improvement Group by action of the State Disability Review Team.

Work

Work consists of engagement in a work activity for which financial compensation is received and all applicable income and payroll taxes are paid. If an individual is not required to pay taxes, for example a sheltered workshop employee, 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 of up to 6 months in a 12 month period may be granted if the individual continues to look for employment. 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.

CATEGORICAL FACTORS**MEDICAID BUY-IN PROGRAM FOR WORKING PEOPLE WITH DISABILITIES**Eligibility under the Medicaid Level

The MBI-WPD program is the most advantageous program for an A/R who is found to meet the eligibility requirements for both Medicaid without a spenddown and the MBI-WPD program. This is because a person in the MBI-WPD program can medically improve without an adverse impact on eligibility while A/Rs who are in receipt of Medicaid under the Aid to Disabled program will lose such eligibility in the event they have medical improvement.

In situations where the A/R is found to be eligible for Medicaid without a spenddown AND the MBI-WPD program, the A/R is encouraged to choose the most advantageous program, and must be given a copy of the *Explanation of the MBI-WPD Program* and have all questions answered regarding the program and its eligibility requirements so that he/she may make an informed choice between the two programs.

Substantial Gainful Activity (SGA) and Transition to MBI-WPD

New Medicaid applicants:

If the gross earnings from work, minus Impairment Related Work Expenses (IRWES) (See **INCOME IMPAIRMENT RELATED WORK EXPENSES**) are greater than the SGA level (See **CATEGORICAL FACTORS SUBSTANTIAL GAINFUL ACTIVITY** and **REFERENCE SUBSTANTIAL GAINFUL ACTIVITY**), and the individual does not have acceptable certification of disability, a disability determination must be performed by the State Disability Review Team for the MBI-WPD program.

If the gross earnings from work minus IRWES are less than the SGA level, the A/R is encouraged to participate in the MBI-WPD program, or the Medicaid Aid to the Disabled program, whichever is most beneficial.

Medicaid renewals:

If a certified disabled Medicaid A/R who is not participating in the MBI-WPD program reports an increase in income and the earnings from work minus IRWEs are greater than SGA, the individual must be transitioned to the MBI-WPD program.

CATEGORICAL FACTORS

MEDICAID BUY-IN PROGRAM FOR WORKING PEOPLE WITH DISABILITIES

If the gross earnings are less than SGA, the individual is encouraged to participate in the MBI-WPD program, or the Medicaid Aid to the Disabled program, whichever is most beneficial.

Extended Period of Eligibility

A/Rs who have lost SSDI benefits due to substantial work, following a nine-month trial work period, and who are entitled to a 36-month extended period of eligibility (EPE), may be enrolled in the MBI-WPD Basic Coverage Group for the duration of the EPE. IF all other eligibility requirements for the program are met a new disability determination is not necessary. Approximately 2-3 months prior to the end of the EPE, appropriate medical evidence must be obtained and submitted with a complete disability packet to the SDRT for a Continuing Disability Review (CDR). Documentation of the diagnosis(es) for which the applicant was determined disabled by SSA must be obtained in order for the CDR to be performed.

Trial Work Period and Transition to MBI-WPD

A/Rs in the Aid to the Disabled category of Medicaid may be granted a Trial Work Period (See **CATEGORICAL FACTORS TRIAL WORK PERIOD**) of up to 9 months to determine if the A/R can develop a consistent pattern of work. In such instances, care must be taken to transition the recipient to the MBI-WPD program before the Trial Work Period ends or the disability certificate expires. Subsequent Continuing Disability Reviews (CDRs) for these individuals must be performed by the State Disability Review Team (SDRT).

SSI 1619 (b) Program and Transition to MBI-WPD

An A/R who has lost eligibility for 1619 (b) due to excess income and/or resources may be enrolled in the MBI-WPD Basic Coverage Group without a disability determination if the SSI medical diary date has not yet expired and all other eligibility requirements are met. Approximately 2-3 months prior to the medical diary date, appropriate medical evidence from providers must be obtained and submitted to the SDRT for a CDR. Documentation of the diagnosis(es) for which the applicant was determined disabled by SSA must be obtained in order for a CDR to be performed.

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

Documentation: Applicants for the MBI-WPD program must provide proof of disability. Acceptable proof of disability includes the following:

- A current disability certification by the State or local Disability Review Team (DRT); a verification of receipt of Railroad Retirement benefits due to total and permanent disability;
- A current disability certification by the Social Security Administration (SSA), for SSDI benefits; this may include a current award letter, proof of receipt of SSDI benefits such as a check or bank statement listing the benefit, or a Medicare card;
- A current certification from the Commission for the Blind and Visually Handicapped (CBVH);
- A current letter from SSA placing the individual in a SSDI Extended Period of Eligibility;
- A current SSA letter informing the individual that he/she is no longer eligible for the 1619 (b) program (the SSA medical diary date is required).

Applicants for the MBI-WPD Program must provide proof of work activity. Acceptable proof of work activity includes the following:

- A current pay stub(s), paychecks, or a written statement from the employer;
- A current income tax return, W-2 form, or records of bank deposits;
- If the individual is not required to file an income tax return, work activity may be documented by pay stubs or a letter from the employer stating the hours worked and wages paid. If the individual presents a personal check as a "paycheck", a statement from the employer is needed to document that the check is for work activity.