

**INCOME****EXCESS**

**Description:** When determining Medicaid eligibility for A/Rs who are SSI-related, ADC-related, under age 21 or pregnant, any available monthly income in excess of the Medically Needy Income level is considered available to meet the cost of medical care and services.

**Policy:** When the available income of the A/R is greater than the Medically Needy Income level the excess is considered available to meet the cost of medical care and services. In order to become eligible for Medicaid, ADC-related, SSI-related, under age 21 or pregnant A/R(s) either:

- incur medical expenses equal to or greater than their excess income; or
- pay the amount of the excess income directly to a local district.

**NOTE:** A/Rs who have income in excess of the poverty levels or the Medicaid Standard must spenddown to the Medically Needy Income level to be eligible for Medicaid coverage.

In determining an individual's eligibility, local districts use a period of not more than six months to compute income (an accounting period). More than one accounting period may be used. The entire retroactive period may be treated as one three-month period, or the retroactive period may be divided into monthly periods. In addition, local districts are permitted to add all or part of the retroactive period to the first prospective months, for a combined period not to exceed six months.

Bills paid by a public program of the State or its political subdivisions may be used to meet an A/R's excess income liability.

A/Rs with income in excess of the applicable Family Health Plus (FHPlus) standard cannot spenddown to attain FHPlus eligibility. Applicants who are ADC-related, SSI-related, under age 21 or pregnant who have medical expenses which would allow them to spenddown to full coverage under Medicaid, and who are eligible for FHPlus, complete an application and enrollment form, and are given the choice of participating in