

INCOME**BUDGETING**

Description: Budgeting is the process that is used to determine the value of an A/R's income. The budgeting of income to determine eligibility for Medicaid varies according to category.

Policy: The budgeting process involves several steps, some of which are common to all budgeting methodologies and some of which include elements that are specific to a particular category.

References:

SSL Sect.	366
Dept. Reg.	360-4
ADM	OMM/ADM 97-2

Interpretation: To determine eligibility for Medicaid, five budgeting methodologies are used:

- (1) Low Income Families (LIF) budgeting methodology is used for the following:
 - Parents living with their dependent children under age 21;
 - Persons under age 21;
 - Pregnant women; and
 - FNP parents.
- (2) When ineligible under LIF criteria, the ADC-related budgeting methodology is used for the following:
 - Parents living with their dependent children under age 21;
 - Persons under age 21;
 - Pregnant women; and
 - FNP parents.

NOTE: This budgeting methodology is used for pregnant women and children under age 19 in determining their eligibility under the poverty levels.

- (3) The SSI-related budgeting methodology is used for the following: aged (65 or over), certified blind, or certified disabled A/ Rs and for all of the Medicaid A/Rs who are applying for and determined eligible for payment or part payment of the Medicare premiums, coinsurance and deductibles. (See **INCOME MEDICAID EXPANDED INCOME LEVELS**)

INCOME

BUDGETING

(4) The Singles/Childless Couples (S/CC) budgeting methodology is used for A/Rs age 21 and over, but under age 65, who are not living with dependent children under age 21, not pregnant and who are not certified blind or certified disabled.

(5) The chronic care budgeting methodology is used for all individuals in permanent absence status (See **GLOSSARY**).

NOTE: FNP parents can NOT spenddown to obtain full Medicaid coverage.

Frequently, more than one budgeting methodology is used to determine eligibility. For example, a certified disabled person may be given the choice between LIF, ADC-related budgeting and SSI-related budgeting. The remaining family members are only eligible for either LIF or ADC-related budgeting, as appropriate.

(See **INCOME MEDICARE SAVINGS PROGRAM** for the treatment of Medicare beneficiaries (QMBs, SLMBs, etc.))

Disposition:

After applying the appropriate methodology to arrive at the net available income, the net available income is compared to the appropriate income/resource level. All other eligibility requirements must be met.