

**INCOME
LIF BUDGETING METHODOLOGY**

DETERMINATION OF ELIGIBILITY

Policy: LIF budgeting is used to determine eligibility for persons who meet the following categorical requirements:

- Families with a dependent child under age 21;
- Persons under age 21;
- Pregnant women, or
- FNP parents.

Eligibility is determined by comparing the net available income of the A/R to the Medicaid Standard (and MBL Living Arrangement chart, as appropriate). (See **REFERENCE MEDICALLY NEEDY INCOME AND FEDERAL POVERTY LEVELS**)

References:	SSL Sect.	366
	Dept. Reg.	360-4.2 360-4.6(a)(3)
	ADMs	OMM/ADM 97-2
	INFs	98 OMM/INF-02
	GIS	08 MA/022

Interpretation: Eligibility using LIF budgeting is determined as follows:

- (1) Determine the gross monthly income of the person or household. (See **OTHER ELIGIBILITY REQUIREMENTS HOUSEHOLD COMPOSITION** for an explanation of household composition) Certain kinds of income are disregarded in whole or in part. (See **INCOME LOW INCOME FAMILY DISREGARDS**)
- (2) Compare the gross monthly income to 185% of the Medicaid Standard. (See **INCOME LOW INCOME FAMILIES (LIF) BUDGETING METHODOLOGY 185% MAXIMUM INCOME TEST**) If gross income exceeds 185% of the Medicaid Standard, the A/R is not eligible for Medicaid using LIF budgeting. If the gross monthly income is equal to or less than 185% of the Medicaid Standard, then