

**RESOURCES**

**MEDICALLY NEEDY RESOURCE LEVEL**

**Policy:**

A/Rs may retain resources up to the appropriate medically needy level, when the A/ Rs are:

SSI-related;

children between the ages of one and 21 who do not qualify for Medicaid in the LIF category or under the expanded poverty levels;

ADC-related parent(s) or eligible relative (see page 4); or

parent(s) in two-parent households who are financially ineligible for LIF and who are not categorically eligible for ADC. See Categorical Factors for a further description of categorical requirements.

The medically needy resource levels, according to family size, are:

Family Size	1	2	3	4	5	6	7
Allowable Reserves*	\$3750	\$5400	\$5450	\$5500	\$5950	\$6800	\$7650
Add \$850 for each additional family member over 7							

\*Effective 1/1/01

There is no resource test for pregnant women and children under age 1. For children age 1 or over there is no resource test when the household income is compared to the appropriate federal poverty level. Children age 1 – 18 whose household income exceeds the applicable federal poverty level can only achieve Medicaid eligibility by spending down the household income/resources to the medically needy income/resources levels.

**NOTE:** The medically needy resource levels do not apply to persons in LIF or S/CC categories. (See page 305 for the resource level for LIF and page 326 for the resource level for S/CC.)

Dept. Reg. 360-4.4  
 360-4.7(a)(4)  
 360-4.8(b)

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ADMs            98 OMM/ADM-6  
                    90 ADM-42  
                    90 ADM-

GIS              *01 MA/009*

**Interpretation:**

Persons who are ADC-related, SSI-related, under 21, pregnant, stepparents, and/or fathers of unborns with no children of their own in the household, may keep a certain amount of resources in reserve and still receive Medicaid. These A/Rs are entitled to resources in an amount equal to one-half of the appropriate annual income level as found on page 114. This constitutes the medically needed resource level.

When countable resources are equal to or less than the resource level for the household, persons who are ADC-related, SSI-related, under 21, pregnant, stepparents, and/or fathers of unborns with no children of their own in the household, are eligible for Medicaid, provided all other eligibility requirements are met.

Countable resources in excess of the appropriate resource level are considered available to meet the cost of medical care and services. An SSI-related, under 21, or ADC-related A/R may be eligible for Medicaid when s/he incurs medical bills equal to or greater than his/her excess. When a person under the age of 19, or a pregnant woman has income at or below the appropriate federal poverty levels, there is no resource test.