

**RESOURCES****TIME-LIMITED LIF RESOURCE DISREGARDS****Policy:**

Certain resources, available to an A/R, are disregarded for a limited time period. When the period has expired, these resources are reviewed to determine their value and availability. All countable resources are compared to the allowable resource level.

The following is a list of resources that are disregarded for a limited time period.

*EARNED INCOME TAX CREDIT PAYMENTS* - Payments are exempt in the month received and the following month.

*INCOME TAX REFUNDS* - Moneys from income tax refunds are exempt in the month received and the following month.

*REAL PROPERTY SALES* - Moneys from the proceeds of the sale of real property are disregarded for a reasonable period of time, not to exceed six months, while the A/R reinvests the proceeds.

**References:**

ADMs            92 ADM-32  
                     92 ADM-11  
                     88 ADM-10

**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 Resources*	<b>\$4,000</b>	<b>\$5,850</b>	<b>\$5,900</b>	<b>\$5,950</b>	<b>\$6,000</b>	<b>\$6,800</b>	<b>\$7,650</b>
Add \$850 for each additional family member over 7							

\*Effective **1/1/05**

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.) The medically needy resource levels are also not used to determine resource eligibility for the Medicaid Buy-In Program for Working People with Disabilities (MBI-WPD). (See page 325.1 for the resource level for MBI-WPD.)

**RESOURCES****MEDICALLY NEEDY RESOURCE LEVEL**

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

ADMs           **04 OMM/ADM-2**  
                  98 OMM/ADM-6  
                  90 ADM-42

**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 needy 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.

