Purpose and Objectives

Purpose:
This presentation is to review the key eligibility factors of MAGI Medicaid

Objectives:
Upon completion of this presentation you will have a basic understanding of the eligibility criteria used in MAGI methodology determinations
New Brand Name for Medicaid
## Medicaid Eligibility Criteria

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Income</td>
<td>• Change of Circumstances</td>
</tr>
<tr>
<td>• Household Composition</td>
<td>• SSN</td>
</tr>
<tr>
<td>• Citizenship/Immigration</td>
<td>• Retroactive Coverage</td>
</tr>
<tr>
<td>• Residency</td>
<td>• AEM</td>
</tr>
<tr>
<td>• Incarceration</td>
<td>• American Indian/Alaska Native</td>
</tr>
</tbody>
</table>
MAGI Changes

Eligibility criteria changing

- Household Composition
- Income
- Alien Emergency Medical
- Income of a Child
- Change of Circumstances
MAGI Household Composition

• Assistance Units: Those household members who must be looked at together due to tax-filing status, relationship or age in order to determine a household size

• Will follow federal tax filing rules to determine what makes up an assistance unit and whose income must be counted

• Part II: Medicaid Households in 2014 webinar
  
  www.hca.wa.gov/hcr/me/Pages/stakeholdering.aspx
MAGI Countable Income

WAC 182-509-0001

- Countable income for tax purposes will be countable income for MAGI Medicaid

- The Washington Healthplanfinder application web portal is programmed to only ask for countable income
Countable MAGI income

- Reduced by a 5% FPL income disregard across all MAGI Medicaid programs
- Eliminates all current income disregards
Earned MAGI Income

WAC 187-509-0330

Countable MAGI earned income

- Wages and salaries
- Tips
- Commissions
- Profits from self-employment
How self-employment is counted

If an individual has worked long enough to file a federal tax return for the previous year and it represents their current income:

• The agency determines self-employment income by using the income and deductions claimed on the previous year’s taxes
If an individual has worked for less than a year at the business, or not long enough to file a tax return in the previous year:

The agency determines self-employment income by:

• Averaging the income to come up with a monthly amount based on the period of time the business has been in operation within the last year
Self-Employment Income
WAC 182-509-0370

• Adding together gross self-employment income and any profit made from selling business property or equipment over the period of time the business has been in operation within the last year

• Subtracting business expenses allowed by the Internal Revenue Service
## Self-Employment Business Expenses

<table>
<thead>
<tr>
<th>Expense Category</th>
<th>Expense Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Car and truck work expenses</td>
<td>Rent or lease of business property and utilities</td>
</tr>
<tr>
<td>Depreciation</td>
<td>Commissions, taxes, licenses, and fees</td>
</tr>
<tr>
<td>Employee wages and fringe benefits</td>
<td>Advertising</td>
</tr>
<tr>
<td>Property or liability insurance</td>
<td>Contract labor</td>
</tr>
<tr>
<td>Interest</td>
<td>Repairs and maintenance</td>
</tr>
<tr>
<td>Legal and professional services</td>
<td>Certain business travel and meals</td>
</tr>
</tbody>
</table>
# Unearned MAGI Income

**WAC 182-509-0325**

Unearned income benefits considered as countable income for MAGI Medicaid

<table>
<thead>
<tr>
<th>Income Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Railroad retirement</td>
</tr>
<tr>
<td>Unemployment Compensation</td>
</tr>
<tr>
<td>Social Security Benefits</td>
</tr>
<tr>
<td>• Retirement</td>
</tr>
<tr>
<td>• Disability</td>
</tr>
<tr>
<td>• Survivors</td>
</tr>
<tr>
<td>Rental Income</td>
</tr>
<tr>
<td>Pensions</td>
</tr>
<tr>
<td>IRAs</td>
</tr>
<tr>
<td>Military Retirement</td>
</tr>
<tr>
<td>Annuities</td>
</tr>
<tr>
<td>Dividend payments</td>
</tr>
<tr>
<td>Per Capita distributions from tribal gaming</td>
</tr>
</tbody>
</table>
MAGI Non-Countable Income

WAC 182-509-0320

What income is not countable under the MAGI methodology:

- Employment and training programs
- Bona fide loans
- Federal income tax refunds
- Earned Income Tax Credit
- Child support payments
- L & I
Income not countable under MAGI methodology:

- Foster Care payments
- VA benefits
- Money withheld to repay an overpayment
- One-time payments (such as VOLAG)
- Income given to a sponsored immigrant
- Needs based assistance from other agencies
Exceptions to MAGI
Income Methodology
WAC 182-509-0300

Three exceptions to following the federal tax filing rules:

• Educational assistance

• American Indian/Alaska Native income

• Lump sums
For MAGI Medicaid, Educational Assistance is exempt, including but not limited to:

- Pell grants
- Stafford loans
- Perkins loans
- State Need Grant
- Christa McAuliffe/Jacob K. Javits fellowship programs
- VA educational benefits
- Bureau of Indian Affairs Educational assistance
- Work Study income
For MAGI Medicaid, the following American Indian/Alaska Native income is exempt:

- Up to $2000 per person, per calendar year, received under the Alaska Native Claims Settlement Act, Public Law (P.L.) 92-203 and 100-241
- Income received from Indian trust funds or land held in trust by the secretary of the interior for an Indian tribe or individual tribal member. Income includes:
  - Interest
  - Investment income accrued while such funds are held in trust
AI/AN Income

WAC 182-509-0340

For MAGI Medicaid, the following American Indian/Alaska Native income is exempt:

- Income received from Indian judgment funds or funds held in trust by the secretary of the interior distributed per capita under P.L. 93-134 as amended by P.L. 97-458 and 98-64. Income includes:
  - Interest
  - Investment income accrued while such funds are held in trust
- Up to $2000 per person, per calendar year, received from leases or other uses of individually owned trust or restricted lands, P.L. 103-66
For MAGI Medicaid the following American Indian/Alaska Native income is exempt:

- Payments from an annuity fund established by the Puyallup Tribe of Indians Settlement Act of 1989, P.L. 101-41, made to a Puyallup Tribe member upon reaching twenty-one years of age

- Payments from the trust fund established by the P.L. 101-41 made to a Puyallup Tribe member
Lump Sums

WAC 182-509-0375

<table>
<thead>
<tr>
<th>Any awards for wrongful death, personal injury, damage or loss of property, is excluded from income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Any remaining portion of a lump sum payment is counted as income, if received in the month of application, except:</td>
</tr>
<tr>
<td>• Payments are received by a member of a federally recognized tribe, from extractions of exempt resources</td>
</tr>
<tr>
<td>• Tax refunds or Earned Income Tax Credit</td>
</tr>
<tr>
<td>Any other lump sum payments are considered countable income if received in the month of application</td>
</tr>
</tbody>
</table>
The AEM program allows emergent coverage for individuals who, because of immigration status, are not eligible for Medicaid.

Previously, to be eligible for AEM, an individual had to be relatable to one of the following Medicaid programs:

- Aged, blind or disabled
- Pregnant Women
- Children
- Parent taking care of a dependent child
Beginning January 1, 2014, with the expansion of Medicaid to include a new adult Medicaid group, more individuals will qualify for the AEM program.

Example:
A 25 year old single adult male is injured in a car accident, which results in broken bones, requiring a hospital stay.
- Today: this individual is not relatable to a Medicaid program and does not qualify for AEM.
- In January 2014: this same individual will qualify for AEM if his income falls below 138% of the FPL, since his condition is emergent.
Alien Emergency Medical
WAC 182-507-0110

For those individuals relatable to MAGI Medicaid, the new Washington Healthplanfinder will support an application for AEM, this includes the following programs:

- Families
- Children
- Pregnant Women
- New Adult Group

Just like today: AEM will remain a two-step process, including:

1. An eligibility determination
2. A medical determination of the emergent condition
**Income of a Child**

**WAC 182-509-0360**

<table>
<thead>
<tr>
<th>TODAY</th>
<th>OCTOBER 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>When a child has income, the assistance unit is set up using Sneede-Kizer rules</td>
<td>Income of a child age 18 or younger, is not counted if the child is not required to file taxes</td>
</tr>
</tbody>
</table>

If a child is required to file taxes, the income will count only in the determination of that child’s eligibility.
Currently, with WA State’s minimum wage of $9.19/hour, a child working an average of 12 hours/week would earn enough to be required to file taxes.

Example:
A teenage boy (17) works 8 hours per week at minimum wage

- Even though he files taxes to receive his tax refund, he is not required by law to file taxes
- His income would be excluded
Example:

A teenage boy (17) works 16/hours per week at minimum wage

- The amount of his earned income now requires him to file taxes
- His income counts towards his Medicaid eligibility
- His income would not counts toward his parents or siblings Medicaid eligibility
Continuous eligibility will remain for pregnant women and children

In October 2013
All other programs will have a $150 reporting requirement
Eligibility not Changing

The following eligibility will not change under the ACA

• Citizenship & Immigration
• Residency
• SSN
• Incarceration
• Retroactive Coverage
Citizenship and Immigration eligibility rules will continue to follow existing Medicaid rules

Individuals, who are not citizens, will fall into four categories:

- **Exempt**: Qualified aliens, exempt from the five year bar
- **Not Exempt**: Qualified aliens who must serve a five year bar
- **Non-Qualified Aliens**: Non-citizens who are lawfully present, but not considered qualified aliens
- **Undocumented Aliens**: Individuals who have entered the U.S. illegally or whose immigration status has been revoked
Exception to the 5 year bar

All lawfully present pregnant women and children, legally residing, are eligible for Medicaid with no wait period.
Lawfully present non-citizens will enter the following information into Washington Healthplanfinder:

- Passport number
- Country of issuance
- Date of entry into the U.S.

If none of the above information is available, an individual will enter their “A” number or other immigration number.

NOTE: Those who are not applying for medical care or who declare they are not residing legally in the U.S. will not have their name sent to Homeland Security.
Residency requirements will continue to follow existing Medicaid rules

A Washington resident is an individual who states that they currently reside in WA State who:

- Intends to live in WA State
- Entered the state looking for employment
- Entered the state with current employment
Social Security Number
WAC 182-503-0515

Social Security number requirements will continue to follow existing Medicaid rules

- Each individual who applies for or receives Washington Apple Health (WAH) must provide his or her valid Social Security number (SSN)

- WAH coverage will not be delayed, denied or terminated pending the issuance of an SSN by the SSA
An individual who does not provide an SSN is not eligible for WAH coverage with the following exceptions:

- An individual who refuses to apply for or provide an SSN based on religious grounds
- An individual claims good cause for not providing an SSN due to domestic violence
- A newborn as described in WAC 182-505-0210 (1) is eligible for WAH coverage until the baby's first birthday
There is no SSN requirement for the following:

- WAH refugee or WAH alien emergency medical;
- WAH programs for children and pregnant women who do not meet citizenship criteria described in WAC 182-503-0535;
- A household member who is not applying for WAH coverage.

Qualified and nonqualified aliens, as defined in WAC 182-503-0530, who are not authorized to work in the U.S. are not required to apply for a non-work SSN.
Incarceration  
WAC 182-503-0505

Rules around incarceration will not be changing.

Once an individual is placed in a city, county or state institution, they are no longer eligible to receive Medicaid coverage.

Health Care Authority continues to work with city, county and state correctional facilities to create a process for inmates to apply for medical coverage prior to their release.

NOTE: Please watch for more information to be shared on this subject in the near future
Retroactive Coverage
WAC 182-504-0005

An individual may apply for retroactive coverage for unpaid medical bills incurred within a three month period prior to the month of application.

To receive retroactive coverage, an individual must request this during the application process or within the certification period.

NOTE: Families will receive notification of retroactive eligibility through a separate notification letter. Retroactive coverage will be determined outside of the WA Healthplanfinder and families will not receive a real-time determination.
Medicaid Eligibility Factors in 2014

Training Opportunities Coming Soon!
Medicaid in 2014 Resources

HCA Medicaid Expansion 2014 Website

www.hca.wa.gov/hcr/me

Contact Us

medicaidexpansion2014@hca.wa.gov
Question and Answer Session