Medicaid State Plan Eligibility

MAGI Based Methodologies

MEDICAID | Medicaid State Plan | Eligibility | OH2020MS0002O | OH-20-0015

Package Header

Package ID	OH2020MS0002O	**SPA ID**	OH-20-0015
Submission Type	Official	**Initial Submission Date**	6/30/2020
Approval Date	9/23/2020	**Effective Date**	4/1/2020
Superseded SPA ID	OH-13-0027 System-Derived		

The state will apply Modified Adjusted Gross Income (MAGI)-based methodologies as described below, and consistent with 42 CFR 435.603.

A. Household Composition

1. In determining family size for the eligibility determination of a pregnant woman, she is counted as herself plus each of the children she is expected to deliver.

2. In determining family size for the eligibility determination of the other individuals in a household that includes a pregnant woman:

○ a. The pregnant woman is counted just as herself.

○ b. The pregnant woman is counted as herself, plus one.

◉ c. The pregnant woman is counted as herself, plus the number of children she is expected to deliver.

3. In establishing household composition under the rules for non-filers set forth at 42 CFR 435.603(f)(3), the state elects the following age for children:

◉ a. Age 19

○ b. Age 19, or in the case of full-time students, age 21

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B. Household Income

Financial eligibility is determined consistent with the following provisions:

1. When determining eligibility for new applicants, financial eligibility is based on current monthly income and family size.
2. When determining eligibility for current beneficiaries, financial eligibility is based on:

(●) a. Current monthly household income and family size

( ) b. Projected annual household income and family size for the remaining months of the current calendar year.

3. In determining current monthly or projected annual household income, the state considers reasonably predictable changes in income:

(●) Yes ( ) No

[x] a. Include a prorated portion of a reasonably predictable increase in future income and/or family size.

The methodology used by the state to account for and verify such change is:

When using the MAGI-based methodology for eligibility determinations and renewals, Ohio will employ a reasonable methodology for predictable increases or decreases in future income over a 12-month period. The methodology applies when the applicant/beneficiary has income that has been identified as most likely to fluctuate, and the applicant/beneficiary has stated that fluctuating income for the upcoming year is approximately equal to the amount of fluctuating income for the current year or the applicant/beneficiary has indicated Temporary Decennial Census Income. Ohio has identified Self-Employment, Seasonal Earned Income, and Temporary Decennial Census Income as most likely to fluctuate.

This reasonable methodology, except for Temporary Decennial Census Income, will use the applicant's/beneficiary's fluctuating income amount over the course of one year. It will then convert that amount into an average monthly amount that will be added to the applicant's/beneficiary's current monthly non-fluctuating income. This combined amount will be used to determine eligibility for the applicant/ beneficiary. For Temporary Decennial Census Income, the reasonable methodology will use the individual's wages over one 12-month application/renewal period, then remove the income from the individual's budget.

Examples of verification that could be submitted to confirm the fluctuation in income includes, prior year's tax returns, prior pay stubs, or a signed letter of explanation of income fluctuation due to self-employment.

If the applicant does not have income that is identified as most likely to fluctuate, or the applicant has not provided an annual amount for fluctuating income, or the applicant has not verified that the annual amount for the upcoming year for fluctuating income is approximately equal to the annual amount for the current year, the reasonable methodology for predictable increases or decreases in future income will not be applied.

[x] b. Account for a reasonably predictable decrease in future income and/or family size.

The methodology used by the state to account for and verify such change is:

When using the MAGI-based methodology for eligibility determinations and renewals, Ohio will employ a reasonable methodology for predictable increases or decreases in future income over a 12-month period. The methodology applies when the applicant/beneficiary has income that has been identified as most likely to fluctuate, and the applicant/beneficiary has stated that fluctuating income for the upcoming year is approximately equal to the amount of fluctuating income for the current year or the applicant/beneficiary has indicated Temporary Decennial Census Income. Ohio has identified Self-Employment, Seasonal Earned Income, and Temporary Decennial Census Income as most likely to fluctuate.

This reasonable methodology, except for Temporary Decennial Census Income, will use the applicant's/beneficiary's fluctuating income amount over the course of one year. It will then convert that amount into an average monthly amount that will be added to the applicant's/beneficiary's current monthly non-fluctuating income. This combined amount will be used to determine eligibility for the applicant/ beneficiary. For Temporary Decennial Census Income, the reasonable methodology will use the individual’s wages over one 12-month application/renewal period, then remove the income from the individual’s budget.

Examples of verification that could be submitted to confirm the fluctuation in income includes, prior year’s tax returns, prior pay stubs, or a signed letter of explanation of income fluctuation due to self-employment.

If the applicant does not have income that is identified as most likely to fluctuate, or the applicant has not provided an annual amount for fluctuating income, or the applicant has not verified that the annual amount for the upcoming year for fluctuating income is approximately equal to the annual amount for the current year, the reasonable methodology for predictable increases or decreases in future income will not be applied.

4. MAGI-based income is calculated using the financial methodologies defined in section 36B(d)(2)(B) of the Internal Revenue Code, except as described at 42 CFR 435.603(e), and without regard to whether an individual expects to file taxes.

5. Except as provided at 42 CFR 435.603(d)(2) through (d)(4), household income is the sum of the MAGI-based income of every individual included in the individual's household.

6. In determining the eligibility of an individual using MAGI-based income, the state must subtract an amount equivalent to 5 percentage points of the federal poverty level for the applicable family size only to determine the eligibility of an individual for medical assistance under the eligibility group with the highest income standard using MAGI-based methodologies in the applicable Title of the Act, but not to determine eligibility for a particular eligibility group.

7. Household income includes actually available cash support, exceeding nominal amounts, provided by the person claiming an individual described at §435.603(f)(2)(i) as a tax dependent.

○ Yes ◉ No

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C. Resource Test

There is no resource test applied to eligibility groups that use MAGI-based methodologies.

D. Additional Information (optional)