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Objectives for Section 600

1. Define the ABD and FAC Unit;
2. Define Parents, Stepparents, and CTROP;
3. How to apply and eligibility criteria for each group including “Consideration of Income and Resources”.

600.1 Introduction-Assistance Unit

The term “assistance unit” refers to a person or a group of persons whose eligibility for Medical Assistance (MA) benefits is determined in conjunction with each other.

Financial eligibility of the assistance unit is determined on the basis of the total countable income and resources of all members of the assistance unit as well as the income and resources of parents or spouses living with but not included in the unit. Parents and spouses whose income and resources are considered though they themselves are not part of the assistance unit include (but are not limited to) persons who are certified for MA through the receipt of cash assistance payments (SSI, TCA, RCA). An exception to this is the income and resources of an SSI recipient, which are not counted in determining the eligibility of any other person.

The rules governing the composition of the assistance unit do not apply to recipients of cash assistance; nor do they affect the eligibility status of these persons. Recipients of cash assistance are automatically eligible for current Medical Assistance benefits without having to file a Medical Assistance application; however, a separate MA application must be filed for retroactive coverage.

An assistance unit is designated as either ABD (Aged, Blind, or Disabled) or FAC (Families and children); it may not be a combination of the two.

(a) ABD Designation

When a family is comprised of only an ABD individual or couple (i.e. one or both qualify as ABD) not living with a relocated child, the unit is designated as ABD. The explanation of the eligibility determination process is covered in the ABD section. The unit maximum is 2 people. If two persons, they must be married and have a spouse for spousal responsibility.

(b) FAC Designation

All families comprised of parents and children or caretaker relatives other than parents (CTROP) and children, and persons under age 21 whether or not living with parents or CTROP, are initially designated as FAC. The explanation of the eligibility determination process is covered in the FAC section. When an FAC person also qualifies as ABD, the explanation of the eligibility determination process is covered in the FAC section. A pregnant woman is included under this designation (See section “Parent – Pregnant Woman”)

(c) Definition of a “Child”

A “child”, for the purposes of these procedures, means an unmarried person younger than 21 years old, not including the unborn.

An unborn Child, is not a member of the assistance unit and may, therefore, not be certified or counted as a dependent.

(e) Understanding the Term “Family”

The Case Manager (CM) must make decisions relating to assistance units based on a number of factors. One of these two factors is an understanding of what constitutes a “family” since this is the base from which an MA unit or a number of MA units is formed. “Family”, in the context of these procedures, applies to a group of persons related to each other as spouses, parents and children, or caretaker relatives and the dependent children for who they are responsible.

A “non-family” situation is one in which children, regardless of their relationship to each other, do not live with a parent, a CTROP, or an own child. The non-family situation includes coverable children in group homes, foster care, etc. The eligibility of each child is determined on an individual basis and each child is an individual MA unit. The “non-family” designation changes to “family” when a parent or CTROP joins a child.

“Family”, for ABD purposes, (where there are no related children in the home), is a lone ABD individual or a married couple with either one or both spouses ABD. When there are related children in the home with the ABD individual or couple, FAC – CTROP.

“Family”, for FAC purposes, applies to parents and children or caretaker relatives and dependent children. A family must be headed by a parent or CTROP. Parents, CTROPs and children, any of whom are temporarily absent from the family for purposes of employment, attending school, or pursuing vocational or job training, are included in the term “family”.

A child or (children) living with a CTROP constitutes a family if the relationship between the CTROP and child (or children) is within the specifications identified in “Summary Table of Caretaker Relatives”.

When a family includes children and parents (or children and CTROPs) and there are no family members who are ABDs, only one assistance unit is applicable. The only thing to consider is whether or not the applicant wishes to exclude any family member from the assistance unit. There are specific requirements as to who may be excluded from a unit. Refer to specific exclusion provisions in the FAC section.

When a family includes children and parents (or children and CTROPs) and there are family members who are ABD, more than one assistance unit may be applicable depending upon who wishes to apply and in what category.

(f) Choice of Category

Persons who technically qualify as both ABD and FAC (Federal categories) may apply in the category of their choice. The categories are: aged; blind; disabled; person under 21 or dependent child; and caretaker relative.

The category selection option applies primarily to those persons whose status as aged, blind, or disabled has been determined by the Social Security Administration by receipt of Social Security benefits; and to aged persons who may be able to prove age of 65 years or over for the LDSS.

When there are indications that a person has a medical condition that is severe enough for the person to be considered sufficiently disabled to qualify for Social Security disability benefits, the person is required to apply for such benefits as a condition of eligibility for all categories of Medical Assistance, unless the person has already been determined ineligible for benefits due to lack of required coverage. (In this instance, the Social Security Administration is not likely to do a disability determination). When the condition of disability cannot be established (even though a person may believe he meets the criteria), the person is to be included in the FAC unit as a child or as a caretaker relative of a dependent child.

When a parent or CTROP believes he meets blindness or disability criteria but does not wish to make application for any FAC family members, then the LDSS must facilitate the eligibility process by use of the State Review Team for determination of disability. (This does not negate the requirement to apply for Social Security disability benefits as a condition of MA eligibility.) This also applies when the parent anticipates separation from the family for admission to an LTCF or for other reasons.

When a family wishes to apply for a child who is believed to be blind or disabled and the family does not wish to make an FAC application for other family members, or when separation of the child from the family is anticipated, the LDSS must facilitate the eligibility determination process by use of the State Review Team for a determination of blindness or disability.

In selecting the option to apply as blind or disabled, the applicant/representative must be made aware:

1. That the LDSS requires a complete current medical report and social summary;
2. That blindness or disability status cannot be assured;

3. That the process may entail a waiting period of up to (60) days or longer; and
4. That eligibility may not be granted to adults pending determination of blindness or disability.

The LDSS may make a determination that a person who has not applied for Old Age, Survivors or Disability Insurance (OASDI) is aged 65 years old or older. The determination must be based on the person presenting acceptable proof that he has attained age 65. The person must also present proof that he has applied for all potential income benefits and Medicare before eligibility can be established regardless of category.

Any person who is initially included in the FAC unit and is subsequently determined disabled may request to have eligibility considered under the ABD requirements at any scheduled redetermination or at reapplication.

600.2 The Aged, Blind or Disabled Unit

(a) ABD Individual Not Living with Spouse or Related Children

An ABD person not living with a spouse or related child constitutes a one-person unit. In determining the financial eligibility of the unit, only the income and resources of the individual are considered.

(b) ABD Couple Not Living With Related Children

A married ABD couple not living with related children, one or both of who qualify as ABD, constitutes a two-person ABD unit. In determining the financial eligibility of the unit, the income and resources of both spouses are considered.

Note: An SSI recipient is automatically eligible for Medical Assistance and may therefore not be a member of any assistance unit, nor are the income and resources of the SSI recipient considered in determining the financial eligibility of the assistance unit.

Examples:

1. Mr. A, age 67, lives alone. —One person unit; Aged.
2. Mr. and Mrs. B live alone. Mr. B is aged; Mrs. B is disabled.—This is a two-person unit: Mr. B —Aged and Mrs. B—Disabled.
3. Mr. and Mrs. C live alone. Mr. C is blind and an SSI recipient; Mrs. C is disabled. This is a one person unit. Because Mr. C is an SSI recipient, he is not included in the unit, is not counted as dependent, and his income and resources are not considered in determining Mrs. C's eligibility. Mrs. C is Disabled.

4. Mr. and Mrs. D live alone. Mr. D is disabled; Mrs. D is non-ABD.—This is a two-person unit. Though Mrs. D is technically ineligible for a federal category, she is included in the unit with the ABD spouse and her income and resources are also considered. Mr. D is Disabled, Mrs. D is a SRT Pending.
5. Mr. and Mrs. F (both disabled) have their niece, age 18, living with them. For discussion of assistance unit composition, see “FAC-CTROP”.

600.3 The Family and Children Unit

The rules governing the FAC unit embrace the concept that a family is composed of parents or CTROP and the related children with whom they live. However, because of the wide range of family groupings and living arrangements; because of the various exclusions and choices available with respect to unit category (ABD or FAC); and because of the fact that more than one assistance unit among persons living together is possible, unit composition and family composition often do not coincide. Some family members may be excluded from the unit; others may not. Some family members qualify in one category only; others in more than one. As for income and resources of non-assistance unit parents and spouses (excepting SSI recipients) must be considered in determining the financial eligibility of the unit, while the income and resources of excluded children may not be considered. This is based on a prevailing financial responsibility rule that parents are legally responsible for the support of their children and for each other. All of which makes for an FAC unit with a larger amount of variability and a financial picture varies along with it.

Before considering the composition and finances of the FAC unit—the various living arrangements, exclusion options and category choices—it is first necessary to discuss the concepts of “caretaker relative” and “dependent child”. Once it has been determined who meets the definition of a dependent child and who does not, who qualifies as a caretaker relative and who doesn’t, the various categories category and assistance unit possibilities can more readily be decided upon.

(a) The Meaning of Caretaker Relative

Caretaker relative is an FAC coverage group under Title XIX. To qualify as a caretaker relative (CTR), a person must be a relative of and have in his or her care and custody (and living with him or her) a child who is a dependent.. When no child in the assistance unit is dependent, no adult in the assistance unit qualifies as a caretaker relative.

A Parent who otherwise qualifies as a CTR and whose only child is an SSI recipient retains his or her status as a caretaker relative.

The following is a list of those relatives who qualify as caretaker relatives:

Natural Mother	Natural Father
Adoptive Mother	Adoptive Father
Stepmother	Stepfather
Natural Sister	Natural Brother
Adoptive Sister	Adoptive Brother
Stepsister	Stepbrother
Half-Sister	Half-Brother
Sister-in-Law	Brother-in-Law
Sister-in-Law by Former Marriage	Brother-in-Law by Former Marriage
Aunt	Uncle
Great Aunt	Great Uncle
Great-Great Aunt	Great-Great Uncle
Aunt by Adoption	Uncle by Adoption
Aunt by Marriage	Uncle by Marriage
Aunt by Former Marriage	Uncle by Former Marriage
Grandmother	Grandfather
Great Grandfather	Great Grandmother
Great-Great Grandmother	Great-Great Grandfather
Grandmother by Adoption	Grandfather by Adoption
Grandmother by Marriage	Grandfather by Marriage
Grandmother by Former Marriage	Grandfather by Former Marriage
First Cousin (Aunt or Uncle's Child)	
First Cousin by Adoption	

A person who technically qualifies as a CTR may not be granted eligibility under a non-Federal category (COMAR 10.09.25.01B). This includes a person who technically qualifies in a Federal category but fails or refuses to meet MA requirements.

Parents often do not qualify as CTR because no child for whom they are responsible is dependent. However, when parents apply for children, the State requires the parents to be included in the FAC unit unless they are ABD and apply as such or, as ABD persons, opt not to apply at all.

(b) “Dependent Child” and Caretaker Relative Status

The State of Maryland covers under its Medical Assistance Program all persons under 21 years old. Included in the group are “dependent children”. A dependent child, as stated earlier, is a person younger than 21 years old (The definition does not include an unborn child.) The program also covers the CTRs of a dependent child. The CTR may be a parent(s) or other specified relative.

If a child lives with a relative other than a parent, it is necessary to determine if the relative wants MA and, if so, if the relative is one who qualifies as a CTR.

(c) Verification of “Living With”

Verification that a child is “living with” a caretaker relative is required only if there is a feeling of uncertainty about the circumstances. Usually, the CM can assume that the child and the adult live together if the applicant verifies an address that is in the same neighborhood as the child’s school.

If the child’s natural parents are separated and it is unclear as to which parent the child lives with, verification is needed (also see procedures on joint custody). Similarly, verification should be required if a teenage child claims to have recently moved out of his or her parents’ home and into the home of a relative. The CM should be creative about requesting verifications of questionable circumstances. Often an affidavit or a collateral contract would provide the most current information. In some situations, the CM may decide to clarify questionable circumstances by verifying where the child is not living rather than where the child lives. For example, if a teenager says she is living with her father for the summer, a statement of verification from the mother might be appropriate. Most close relatives by blood, adoption, or marriage qualify as caretaker relatives. Natural and adoptive parents are one kind of caretaker relative, but they are distinguished from other caretaker relatives in that they are the only ones held to be financially responsible for the child. The income and resources of a natural or adoptive parent living with a child must be included in the determination of the assistance unit’s financial eligibility whether or not they are in the same assistance unit, unless the parent is an SSI recipient.

(d) Children

Children discussed in this section may come under FAC or under ABD as blind or disabled. They may or may not be living with a parent or CTROP. Choice of category, exclusion option, and separate eligibility determination may be applicable.

(e) Children Not Living with a Parent or CTROP

Children who do not live with a parent, a CTROP, or their own child are not considered to be members of a family. This policy is based on the premise that children not living with a parent or CTROP do not constitute a family. This is so irrespective of the number of children living together or their relationship to each other. Such an arrangement requires an individual eligibility for each child; i.e., each child for whom assistance is requested is a separate unit and the eligibility determination is not made in conjunction with any other person.

A blind or disabled child not living with a parent or CTROP may apply as FAC or as BD. In either case, an individual eligibility determination is required because the child does not live with a parent or CTROP. If application is made as FAC, the FAC rules apply. If application is made as BD, the ABD rules apply.

If the circumstance that permitted an individual eligibility determination change (parent or CTROP joins children), the child may lose his entitlement to an individual eligibility determination. (See section entitled, “Children Living with a Parent or CTROP”)

(f) Blind or Disabled Children Living with a Parent or CTROP

Children discussed in this section are blind or disabled and the selection of category option applies—person under age 21 or dependent child, disabled, or blind. A blind or disabled child may apply as blind or disabled (BD) or as a member of the FAC unit (as an unmarried person under age 21 or as a dependent child). If the child applies as BD, an individual eligibility determination is required; if the child applies as a member of the FAC unit, the FAC rules apply.

If two or more blind or disabled children in the same family apply as BD, an individual eligibility determination is required for both.

(1) ABD Optioned Exercised

When the ABD option is exercised by the parent or CTROP, the child's own income and resources are considered in addition to those of the parents. When the child reaches age 18, only income and resources actually contributed by the parents may be considered.

(2) FAC Option Exercised

When the FAC option is exercised by the parent or CTROP, the FAC rules apply. The child is included in the FAC unit (no separate eligibility determination may be made if the child is excluded from the FAC unit). If the child is living with the parents, income and resources of the parents are considered until the child reaches age 21.

(g) Non-Blind or Disabled Children Living with a Parent or CTROP

Children discussed in this section are neither blind nor disabled; therefore, the category selection does not apply because only one federal category is available to them. In a family, at least one child must be included in the FAC unit.

(1) Option to Exclude Child(ren) from Unit

At the option of the parent or CTROP, one or more children may be excluded from the unit provided at least one child is in the unit and the exclusion does not cause the parent or CTROP to lose Title XIX status as a caretaker relative. (In order to qualify as a CTROP, there must be at least one child in the FAC unit with the CTROP). When children are living with their parents (an intact family) it does not matter which child is excluded from the unit.

(2) Children Excluded from Unit

Children excluded from the assistance unit may not have a separate eligibility determination made. An excluded child may subsequently apply for MA as a member of the existing FAC unit only. (See "Subsequent Application of an Excluded Person".)

(3) Joint Custody of Children

In joint custody cases, only the income and resources of the parent who files the Medical Assistance application for the child, if the child lives with the parent at least part of the time,

are considered in determining the financial eligibility of the child's assistance unit. If the child is non-BD, the FAC rules apply, and the parent who filed the application may receive MA benefits as part of the assistance unit. If the child is BD, the ABD rules apply. Any child support or voluntary support received for the child from the other parent is also considered for the child's assistance unit, but not the other parent's income or resources. (See "Consideration of Income and Resources" for treatment of parental income and resources in joint custody cases.)

600.4 Married Persons under Age 21 Living with Parents or CTROP

Married persons younger than 21 years old living with parents or a Caretaker Relative Other Than Parent (CTROP) are considered a separate "family" from that of their parents or CTROP; thus, they are a separate assistance unit apart from their parents or CTROP. In determining financial eligibility of the assistance unit for the married person under age 21, only that person's and spouse's income and resources may be considered, not the parents' income and resources. (Income and resources of their parents may not be considered.) All other procedures in this chapter, if applicable, apply to these persons (category selection option, exclusion options, etc.)

600.5 Parents

Parents discussed in this section are both ABD and non-ABD. (An SSI recipient parent may not be included in the FAC unit, and the SSI recipient parent's income and resources may not be considered in determining eligibility of any other person.)

(a) Non-ABD Parent

A non-ABD parent is required to be in the FAC assistance unit.

If the non-ABD parent qualifies as a Caretaker Relative (CTR) by living with and caring for an unmarried child younger than 21 years old, that fact is indicated by certifying the parent under a Federal category.

(b) Blind or Disabled Parent

A blind or disabled parent may choose to apply as ABD or as a member of the FAC unit. If the parent applies as blind or disabled, a separate eligibility determination is required and the ABD rules apply. If the parent applies as a member of the FAC unit, the parent is required to be included in the unit with children and the FAC rules apply.

(c) Aged Parent

An aged parent, unless the parent has a related child in the assistance unit who is deprived of parental support due to death, absence, incapacitation, or unemployment does not qualify as a CTR, may therefore not be included in the FAC unit (because age is not a deprivation factor and may apply only as an aged person for whom the ABD rules apply).

(d) Pregnant Woman

“Pregnant Woman” is an FAC coverage group which replaces a current coverage group (the unborn). It applies to a pregnant woman who has no other dependent children under her care and custody which would qualify for her MA under Title XIX. An MA eligible pregnant woman will be identified under MCHP.

The unborn child is not considered a member of the assistance unit and is not counted as a dependent in comparing income and resources to the appropriate standards. (Note that the definition of a “child” does not include an unborn.)

When the CM has all the information and documentation required to make a final determination on the day the pregnant woman applies, the eligibility determination MUST be made that day or within 10 days.

In instances where there is insufficient information to make a final determination, the CM must ACE the application for a 90-day certification. Pend the case in CARES, complete the ACE worksheet and forward the certification to the Division of Recipient Eligibility Programs (DREP), so that eligibility is temporarily established in MMIS. Then, collect the information needed and make a final determination for MA eligibility within 30 days.

Reminder: Applicants are not required to provide proof of pregnancy or verify due date (EDC).

(e) Parental Income and Resources

The income and resources of a parent (except for an SSI recipient) living with a related child, whether that parent is in the FAC unit or not, are considered in determining the financial eligibility of the child.

In a three (3) generation family consisting of grandparent, minor unmarried parent, and minor’s child, the grandparent (CTROP) and the minor unmarried parent (child under 21 or dependent child) may be excluded from the assistance unit for the minor’s child. However, the income and

resources of the minor parent must be considered in determining the financial eligibility of the child.

600.6 Caretaker Relatives other than Parents (CTROP)

A CTROP may choose to be included in the FAC unit, excluded from the unit or, if the CTROP is also aged, blind or disabled, to apply as ABD.

(a) CTROP Chooses to be Included in FAC Unit

If the CTROP chooses to be included in the FAC unit, the income and resources of the CTROP, along with that of the other unit members, will be considered in determining the financial eligibility of the unit. In addition, the income and resources of the non-SSI spouse must also be considered (if in the home) whether or not the spouse is included in the unit, is excluded from the unit or is in a separate ABD unit.

(b) CTROP Chooses to be Excluded from FAC Unit

If a CTROP chooses to be excluded from the FAC unit, the income and the resources of the CTROP will not be considered in determining financial eligibility of the unit unless the CTROP is a stepparent whose spouse is included in the FAC unit. In this circumstance, the income and resources of the CTROP are considered in determining financial eligibility of the spouse. (Refer to appendix at the end of this chapter for determining available income and resources from spouse of the parent.)

Note: The spouse of a stepparent (CTROP), who is also the parent of a child in an assistance unit, also has the option of being excluded from the unit; however, the income and resources of the parent must be considered in determining eligibility of the child. This is one of only two situations (the other being the 3-generation family depicted in the section “Parents”) that permits exclusion of a non-ABD parent from an FAC unit.

If an excluded CTROP or spouse is ABD, the excluded CTROP or spouse retains the option of selecting any category in which eligibility may be established upon subsequent application. If an excluded CTROP or spouse is not ABD, the excluded CTROP may subsequently apply as a member of the FAC unit. See “Subsequent Application of an Excluded Person”.

(c) Caretaker Relative other than Parent (CTROP) is Aged, Blind or Disabled

If a CTROP is also ABD and chooses to apply as ABD, the income and resources of the CTROP will not be considered in determining financial eligibility of the FAC unit unless the CTROP is a stepparent whose is included in the FAC unit. In this circumstance, the income and resources of the CTROP are countable. (The “Note” in the preceding section also applies to this section.)

600.7 Subsequent Application of an Excluded Person

(a) Excluded Person Applies as Aged, Blind or Disabled

If the person excluded from the FAC unit subsequently applies as ABD (exercises his option as an aged, blind or disabled person), the following ABD rules apply:

1. A separate eligibility determination is required. If an ABD couple exercises this option, the couple must be included in the same ABD unit.
2. The income and resources of the parents or spouse of the person (whichever the case may be) must be considered in accordance with the appropriate provisions of this chapter.

(b) Excluded Person Applies as Family and Children (FAC)

If the person excluded from the FAC unit subsequently applies as FAC, the following rules apply:

1. Eligibility for the person will be determined in conjunction with the currently eligible FAC unit;
2. The period under consideration will be the same as that of the currently eligible FAC unit.
3. The income and resource of the person will be added to that of the currently eligible FAC unit beginning with the month for which coverage for the added person is requested;
4. The income of the added person will not be over aged to include any months prior to the month for which coverage is requested;
5. Certification will not begin earlier than the date the added person becomes eligible; and
6. A decision of ineligibility for the added person will not affect the eligibility status of the currently eligible FAC unit for the remainder of the certification period. This means that, if by adding the new person to the currently eligible unit, the result is ineligibility for the unit, the new member will be determined ineligible, while the currently eligible unit will retain its eligibility.

600.8 Consideration of Income and Resources

(a) General Provisions

As a general rule, the income and resources of all persons included in an assistance unit are considered in determining eligibility. In addition, spouses and financially responsible for each other and parents are responsible for their children whether or not they are included in a unit together. Therefore, in determining financial eligibility of an assistance unit, the income and resources of the following persons, living together, are considered:

1. All persons included in the assistance unit;
2. The spouse (excepting an SSI recipient) of an assistance unit member, whether or not the spouse is included in any assistance unit; and
3. The parent(s) (excepting an SSI recipient) of a child, whether or not the parent is included in any assistance unit.

Consideration of the income and resources of the parents of a blind or disabled child must be discontinued when the child reaches age 18.

An exception to the above is the income and resources of an SSI parent or spouse, which are not considered in determining financial eligibility of any other person.

(c) Provisions Specific to an FAC Unit

When spouses cease living together, their income and resources are considered available to each other throughout the month they cease living together. With the first full month of separate residence, only actually contributed income and resources from the spouse will be considered.

Spouses who are living in the same LTC facility but not sharing the same room are not considered living together for purposes of these procedures. Therefore, they are considered as separate units.

Spouses who are sharing the same room in an LTC facility are considered living together for the first 6 months of their shared living arrangement and their resources are considered available to each other for that time. Thereafter, the resources of each spouse will be considered separately. However, during the period of time that resources are considered available to each other, their income is not considered available to each other. (Refer to Chapter 10 for full details-COMAR text will be amended to reflect this change.)

When a blind or disabled child under age 18 ceases to live with his parent, the income and resources of his parent will be considered available to the child throughout the month in which they cease living together. With the first full month of separate residence, only actually contributed income and resources from the parent will be considered.

(1) Joint Custody of Children

In cases of separated or divorced parents, custody may be awarded to either one or both parents. When both parents are awarded custody, the courts refer to this arrangement as “joint custody”. This generally means that each parent has equal responsibility for the care and support of the children and that the children will live with either parent at intervals.

For situations of joint custody, the parent who files the MA application for the child, if the child lives with that parent at least part of the time, will be referred to as Parent No. 1 and the other parent will be referred to as Parent No. 2. If both parents file an MA application including the child, neither parent voluntarily withdraws the application, and both assistance units would be eligible, the application with the earliest date of application is approved and the other application is denied as duplicative.

For MA purposes, the FAC assistance unit (AU) must include Parent No. 1, unless this parent:

- Is remarried, is living with his or her current spouse, and opts to be excluded from the FAC unit; and
- Is ABD and opts to be excluded from the FAC unit.

Income and resource of Parent No. 1 as an excluded parent are considered in accordance with procedures in this chapter.

The income and resources of Parent No. 1 who filed the MA application, along with any income and resources the child and other assistance unit (AU) members, are considered in determining eligibility for the child’s assistance unit (AU). Total countable income and resources of the AU’s members are measured against the total number of persons in the household of Parent No. 1, who are dependent on the Parent No. 1’s income (e.g. Parent No. 1’s spouse and other children). However, Parent No. 2 and his or her current family Parent No. 2’s household are not included in the child’s AU. However, any child support or voluntary support paid by Parent No. 2 for the child is considered as part of total income available to the child’s AU.

(2) When a Parent or CTROP Leaves the Home

When a parent or CTROP leaves the home with no intent to return, the parent/CTROP is considered absent beginning the day following the day of separation. The income and resources available to the absent parent up to and including the day of separation are considered available to the assistance unit and are considered available to the assistance unit and are considered when evaluating financial eligibility. After the month of separation, only actual contributions (voluntary or court ordered) are considered. The absent parent is also to be counted as a dependent for the month(s) his or her income and resources are considered.

When a CTROP (including a stepparent) leaves the home with no intent to return, the income and resources of the CTROP are considered in the same manner as that of a parent but only if the CTROP was a member of the assistance unit on the day of separation or his or her spouse or child was a member of the unit member. Otherwise, the income and resources of a CTROP are not considered.

(3) When a Child Leaves the Home

The income and resources of the parent will be considered throughout the month in which the child leaves the home for the purpose of establishing a new address when separation is for reasons other than placement in a foster home, group home, or drug or alcohol abuse treatment center. With the first full month of separate residence, only actually contributed income and resources from the parent will be considered.

When a child's separation is due to placement in a foster home, group home, or drug or alcohol abuse treatment center, the income and resources of the parent will not be counted in the month of placement.

(d) Determining Appropriate Disregards and Exclusions

How income and resources are considered depends on the case designation; i.e., ABD or FAC. In determining financial eligibility for an FAC unit, the FAC income and resources disregards and exclusions apply to all income and resources that are considered for the FAC unit regardless of whose income it is or who a parent or spouse opts not to apply or is in a separate (ABD) unit.

In determining financial eligibility for an ABD unit, the ABD income and resource disregards and exclusions apply to all income and resources considered in the ABD unit regardless of whose income it is or who owns the resources. Because of the differences in the treatment of income and resources, the eligibility results may be different in an ABD and on FAC case.

(e) Determining Appropriate Income and Resource Standards

Countable income and resources are to be measured against Schedules MA-1 and MA-2 for the appropriate number of the following persons:

- All assistance unit members;
- All non-assistance unit parents and spouses who have income and resources which must be considered available to the assistance unit; and
- Children who are excluded from the assistance unit but have no income or resources.

An excluded child who has income and/or resources may not be counted as a dependent on the parent's income. However, family members (parents and spouses) who apply as aged, blind or disabled will be counted in the Schedules MA-1 and MA-2 for their own unit whether or not they have income and/or resources. They will be counted in applying Schedules MA-1 and MA-2 to the companion FAC unit only if they have income and resources that are considered available to the FAC unit. If only one parent has income and resources, then only that parent is considered in applying the Schedules.

A child who lives with parents and applies as blind or disabled is counted in applying for Schedules MA-1 and MA-2 if the child's income is below the SSI payment standard for a child living with parents and resources are below the SSI resource for one person.

Parents who are excluded from an FAC unit, who do not apply as ABD and who have no incomes or resources to be applied to the FAC unit are not counted in applying the standard.

In all other assistance unit: (CTROPs children and children not living with a CTROP), only the number of persons in the assistance unit are to be compared to the Schedules MA-1 and MA-2.

(f) Excess Income

When there is excess income, the incurred medical expenses of the following persons must be considered in determining eligibility for each unit within a family:

1. All persons included in the assistance unit;
2. The spouse of an assistance unit member (excepting an SI recipient) whether or not the spouse is included in any assistance unit; and
3. The parents of a child (excepting an SSI recipient) whether or not the parent is included in any assistance unit.

(g) Multi-Unit Families

In determining financial eligibility of an assistance unit in a family with more than one assistance unit, the income and resources of the following persons, living together, are considered in determining the eligibility of each unit:

1. All members of the assistance unit;
2. The spouse (except an SSI recipient) of an assistance unit member, whether or not the spouse is included in any assistance unit; and
3. The parent(s) (except and SSI recipient) whether or not the parent is included in any assistance unit.

Consideration of the income and resources of the parents of a blind or disabled child must be discontinued when the child reaches age 18.

600.9 Breakdown of the Family into Assistance Units

To determine the actual breakdown of a given family into one or more assistance units and to determine the composition of each unit, it is suggested that the following activities be handled in the order listed:

1. Inform the Applicant/Representative of the Exclusion Options.
The application form itself requires the applicant to list all family members living together. At the time of the interview, question the applicant for whom he wishes to apply. Use his response to questions, in conjunction with assistance unit requirements, to inform the applicant of the available options.

Decisions concerning excludability (as well as category choice) are the responsibility of the applicant/representative. Parents or CTROPs usually make decisions concerning the children for whom they are responsible; representatives make them for children who do not live with a parent or CTROP as well as for incompetent adults.

2. Inform the Applicant/Representative of the Category Options

Once the applicant has decided whom he wishes to apply for and whom he wishes to exclude, consider what categories the family technically qualifies for and advise the applicant of the options. Assist the applicant by explaining the meaning of category choices. Explain as simple as possible what it means meant to apply as ABD. Most families with children will wish to apply as a unit and the applicant's decision to do so is perfectly acceptable so long as it does not violate assistance unit requirements. Some families include blind or disabled adults who also qualify as caretaker relatives or blind or disabled children who also qualify as persons under age 21 or as dependent children.

It is in these situations that options exist as to whether these persons wish to apply at all and, if so, in which category.

However, although it is responsibility of the LDSS to inform the applicant/representative of the various options, the LDSS may not advise or make decisions for the applicant/representative based on what it believes; to be the greatest advantage to the family. Such advice is unreliable in that what appears to be an advantage to specific family members one day may prove to be a disadvantage to other family members at a later date.

600.10 Adjustments to the Assistance Unit

Following the applicant/representative's decision on unit composition and category selection, the CM will adjust the application form based on that decision in conjunction with the outline of assistance unit possibilities identified in the procedures. Depending on circumstances and the decisions made by the applicant, more than one unit may need to be established, consistent with the assistance unit procedural outline.

The decisions made relative to assistance unit composition must be reflected on the application. Changes made by the CM must be recorded and initialed and dated by the CM. The changes or entries made by the CM must be reviewed by the applicant/representative and then each change or entry initialed and dated by that person. This must be followed by a discussion of the changes with the applicant/representative.

When aged, blind or disabled persons who are members of a family with children opt to apply as ABD, that fact may be indicated on the master application form by the letter A, B, or D beside the person's name. For persons who are permitted to be excluded, that fact may be indicated by writing "Exc." next to the person's name.

More Than One Assistance Unit

Each assistance unit within a family requires an eligibility determination. When the applicant's decision results in more than one assistance unit, an appropriate eligibility determination worksheet must be completed for each unit. The eligibility data for each unit may be extracted from the master application form that was filed for all family members. This eliminates the need for an application for each unit.

Additions to the Household

A new member of the household will be considered in accordance with all applicable eligibility regulations. That is, depending on circumstances, the person may have the option to apply or not to apply, to be added to the existing unit or to apply as a member of a separate unit, etc.

600.11 Deeming Requirements

When a parent is a PA recipient and a child of that parent applies for MA because of technical ineligibility for TCA; e.g., age 18 or over, or failure to register with the work activity,, the income and resources of the PA parent are considered in determining the eligibility of the non-PA/MA unit member (s). The method by which the PA parent's income is considered for the MA unit is explained in the procedures and examples that follow:

Step 1: Prorate the TCA grant among the TCA until members.

Step 2: Divide the parent's prorated share of the grant among the parent and the number of the parent's children (dependents) in the non-PA/MA unit.

Multiply the prorate share by the number of the parent's children (dependents) in the MA unit.

Step 3: If the parent has other income (earned or unearned), apply the appropriate disregards (if any) and prorate and the net total among the number of the parent's dependents, including the parent; i.e., the parent's children in both the PA and non-PA/MA units and the parent. The result is the individual prorate share of parent's other income.

Multiply the individual prorate share of the parent's other income by the number of children (dependents) in the non-PA/MA unit.

Step 4: To determine the MA unit's total income, add the results of steps 2,3 and the non-PA/MA unit's own income.

Step 5: Too determine the MA unit's income eligibility, compare the total in Step 4 to the MNIL for the number of persons in the non-PA/MA unit. The TCA unit members are not included in the non-PA/MA unit count.

Example 1

The family is comprised of a mother and her three (3) children ages 10, 15 and mother receives a PA grant of \$229 monthly for herself and the two younger children. The mother also has

earned income of \$175.00 monthly. The 19 year old, excluded from the PA grant because of technical ineligibility, (age) applies for MA. This child has unearned income of \$78.00 monthly.

Income Calculations

Step 1:	\$229.00/3 = \$76.33	3 (Parent and 2 children) Parents proratedprorate share of TCA grant
Step 2:	\$76.33/2 =\$38.17	2 (Child ((dependent)) in MA unit and parent) Individual proratedprorate share of TCA grant
	\$38.17	Individual proratedprorate share
	<u>x 1</u>	Number of dependents in MA unit
	\$38.17	Amount of parent's proratedprorate share of TCA grant deemed to MA unit
Step 3:	\$175.00 <u>-75.00</u> \$100.00	Parent's earned income Earned income disregard 4 (Total number of dependents, including parent)
	\$100/4=25.00	Individual proratedprorate share
	<u>x 1</u>	Number of dependents on non PA/MA unit
	\$25.00	Amount of parent's other income available to MA unit
Step 4:	Income Available to MA Unit	
	\$38.17	Amount of parent's prorate share of TCA grant deem to the MA unit
	\$25.00	Amount available to MA unit from parent's earned income
	<u>+\$78.00</u>	Unearned income of child (MA unit)
	\$141.17	Total monthly income of MA unit
	\$141.17	Total monthly income
	<u>x 6</u>	Months in consideration period
	\$ 847.02	Net income for consideration period
Step 5:	\$847.02	Net income

<u>-2,004.00</u>	MNIL for 1 person
0	

Example 2

The family is comprised of a mother and her (4) children. The parent receives a TCA of \$229.00 monthly for herself and two (2) children. The parent also has earned income of \$200.00 per month. The remaining 2 children are technically ineligible for TCA for failure to register with the WIN Program. Each of these children receives unearned income of \$15.00 monthly.

Income Calculations

Step 1:	\$229.00 = \$76.33	3 (Parent and 2 children) Parent's prorated share of TCA grant
Step 2:	\$76.33 =\$25.44	3 (Dependents in MA Unit and parent) Individual prorated share of TCA grant
	\$25.44 x <u>2</u> \$50.88	Individual prorated share Number of dependents in non PA/MA unit Amount of parent's prorated share of TCA grant Deemed to MA unit
Step 3:	\$200.00 <u>-75.00</u> \$125.00	Parent's earned income Earned income disregard 5 (Total number of dependents, including parent)
	=\$25.00	Individual prorated share of parent's earned income
	\$25.00 x <u>2</u> \$50.00	Individual prorated share Number of dependents in non PA/MA unit Amount of parent's other income available to MA unit
Step 4:	Income Available to MA Unit	

	\$50.88	Amount of parent's prorate share of TCA grant deemed to MA unit
	50.00	Amount available to MA unit from parent's earned income
	<u>+30.00</u>	Unearned income of MA unit members
	\$130.88	Total monthly income of MA unit
	\$130.88	Total monthly income
	x <u>6</u>	Months in the consideration period
	\$785.88	Net income for consideration period
Step 5:	\$785.88	Net income
	<u>-2,250.00</u>	MNIL for 2 persons
	0	

600.12 Stepparent Deeming and Spend-Down

Base

The income deeming methodology demonstrated in the procedures of this release is based on a policy interpretation Transmittal issued by Health Care Financing Administration (HCFA), Regional Office, dated December 16, 1985. The Transmittal did not include a methodology for deeming of a stepparent's (spouse's) resources. Because Medicaid regulations require consideration of both income and resources of legally responsible relatives in determining Medicaid eligibility, the Program has developed the interim resource methodology explained below which meets some of the basic Federal requirements. The Program has made a formal written request to HCFA to provide a resource deeming methodology.

Both the resource deeming methodology and the income deeming methodology address the situation in which a stepparent is excluded from an assistance unit whereas the spouse (parent) is included in the unit and it must be determined whether the stepparent has income and/or resources available for the spouse for whom he (or she) is legally responsible. (If the spouse (parent) also opts to be excluded from the unit, the income and resources of the stepparent (spouse) may not be considered available to unit members since legal responsibility is limited to spouse and parent for child.)

If the income and/or resources of the stepparent are more than the applicable TCA income and resource standards, the excess amount must be considered available or "deemed" to the spouse and counted in determining the unit's eligibility. (Stepparent, however, may not be counted in

determining the applicable Schedule MA-1 and MA-2 standards against which income and resources are measured. This is because the needs of the stepparent have already been taken into account in determining the amount of income and/or resources to be deemed.)

In accordance with current MA policy, resource eligibility is established before income eligibility. If it is determined that an assistance unit has excess resources, the unit is ineligible and evaluation of income is not necessary.

Procedure-Resources

To determine the amount of the stepparent's resources to deem to the spouse and whether or not the unit (of which the spouse is a member) is resource eligible, follow these procedures:

1. Determine the amount of the stepparent's total countable resources. Countable resources may be singly owned by a stepparent or jointly owned with a spouse or other person

a. Singly owned accounts:

For singly owned accounts, the total amount owned by the stepparent is counted. Add the amount in the accounts to any other countable resources of stepparent.

b. Jointly owned accounts between a stepparent and a spouse (parent):

Prorate the accounts between the stepparent and the spouse (parent). Add the stepparent's prorated portion to any other countable resources of the stepparent. The result is the stepparent's total countable resources.

c. Jointly owned accounts between a stepparent and a person(s) other than spouse:

Prorate the account between a stepparent and other person(s). Add the stepparent's prorated portion to any other countable resources or the stepparent. The result is the stepparent's total countable resources.

2. Measure stepparent's total countable resources against the \$1,000 TCA Resource limit.

3. Add resources deemed to the parent (spouse) under Step 2, if any, to the parent's (spouse's)

own countable resources (singly owned and prorated jointly owned resources). The result is the parent’s (spouse’s) total countable resources.

4. Add to the parent’s total countable resources (3 above) that of the other unit members. The result is the unit’s total countable resources.

5. Measure the unit’s total countable resources against the appropriate amount in Schedule MA-2. If total countable resources are equal to or below the appropriate amount in Schedule MA-2, the unit meets the resources eligibility requirement and is resource eligible. If total countable resources exceed the appropriate amount in Schedule MA-2, the unit does not meet the resource eligibility requirement and resource ineligible.

Procedure-Income

If the assistance unit is determined resource eligible, apply the following procedures to determine income eligibility.

- A.** From the stepparent’s monthly gross income, the following are deducted:
 1. \$90, if the stepparent works full-time or part-time.
 2. An amount equal to Column III of Schedule H for a family of equal size to the stepparent and dependents who are living with the stepparent but not in the assistance unit.
 3. Verified child support and alimony payments actually paid by stepparent to persons living outside the home.
 4. Verified support actually paid to dependents living outside of the home.
Dependents are persons who are claimed on stepparent’s income tax returns.

- B.** The amount remaining is the monthly income deemed available to the spouse (parent). Compute the amount of available deemed income for the period under construction.
 1. If the amount deemed income is less than Schedule MA-1 for 1 person (the parent), include all the available deemed income and determine eligibility of the unit (parent and child).

Example situation using a 6 month period

\$475	-	Stepparent’s monthly gross earned income
- <u>75</u>	-	Work expense deduction

\$400	-	Countable income
<u>-202</u>	-	TCA Standard if Need for 1 person (stepparent)
\$198	-	Monthly available deemed income
x <u>6</u>	-	6 month period under consideration
\$1188	-	Available deemed income for 6 month period
<u>1800</u>	-	Schedule MA-1 for 1 person (parent), (300x6)
0	-	Additional deemed income

The \$1188 of available deemed income is counted as available to the spouse (parent) for the 6 month period under consideration.

- When the amount of deemed income exceeds Schedule MA-1 for one (1) person (the parent), included an amount not to exceed Schedule MA-1 for one (1) person in determining the spouse's (parent's) eligibility with the unit. However, the additional deemed income must be considered in determining the spouse's (parent's) eligibility only.

Example situation using a 6 month period

\$600	-	Stepparent's monthly gross earned income
<u>-75</u>	-	Work expense deduction
\$525	-	Countable income
<u>-202</u>	-	TCA Standard of Need for 1 person (stepparent)
\$323	-	Monthly available deemed income
x <u>6</u>	-	6 month period under consideration
\$1938	-	Available deemed income for 6 month period
<u>-1800</u>	-	Schedule MA-1 for 1 person (parent), (300x6)
\$138	-	Additional deemed income

Of the \$1938 of available deemed income, \$1800 is considered in determining the spouse's (the parent's) eligibility with the unit. The \$138 additional deemed income (\$1938 – 1800) must be considered in determining the spouse's (parent's) eligibility only. Note: This step deals only with deemed income available to the spouse (parent).

- Include the parent and the child in the assistance unit. Apply Schedule MA-1 for the number of person in the unit, e.g., if the assistance unit consists of a parent and a child, apply Schedule MA-1 for 2 persons (\$342/month, \$2052 for a 6 month period).

- D.** Determine the total countable income of the parent (including income deemed available from Step B) and child for a 6 month period. Compare the total countable net income to Schedule MA-1 as established in Step C. (This step includes the unit's total countable income.)

- E.** Example situation using a 6 month period

Parent-\$198/month deemed income from stepparent

Child-\$50/month unearned income

\$1188 (198 x 6 deemed income to Parent)

+300 – (\$50 x 6 unearned income – child)

\$1488 – Countable net income

\$2052 – Schedule MA-1 for 2 persons

- Amount remaining after deductions made from monthly gross earned income of stepparent. The amount is less than Schedule MA-1 for 1 person.

- F.** If countable net income is within the Schedule MA-1 for the appropriate number of persons in the assistance unit, the child is eligible for MA.

1. If there is no additional deemed income from Step B.1 to be considered, then the parent is also eligible.

Example:

Countable net income for 2 persons (Parent, 1 child) as determined in Step D is \$1488. The parent has no additional income to be considered. Schedule MA-1 for 2 persons is \$2052. The child is eligible for MA. Parent is also eligible since there is no additional deemed income to consider.

2. In situation where there is additional deemed income from Step B.2 to be considered, the parent is not eligible; however, the parent may qualify under spend-down, which may result in different certification periods for the child and

parent. In determining spend-down eligibility, the incurred medical expenses of the stepparent must be considered in accordance with standard procedure.

Example:

Countable net income for 3 persons (parent and 2 children) as determined in Step D is \$2001. The parent has \$138 of additional deemed income to be considered. Schedule MA-1 for 3 persons is \$2,250. The children are eligible for MA because the unit’s countable income is within Schedule MA-1 for 3 persons.

The parent is not eligible because there is additional deemed income to be considered - \$138 for a 6 month period under consideration. Once the parent has met spend-down obligation (\$138), the parent may be certified under the spend-down.

- G. If countable net income exceeds the appropriate amount in Schedule MA-1 for the number of persons in the assistance unit, the child is not eligible. Spend-down eligibility must be considered, the spouse must meet the additional spend-down requirement. In determining spend-down eligibility, the incurred medical expenses of the stepparent must be considered in accordance with standard procedures. This may mean separate certification periods for the child and parent.

Example:

Case #1 – Countable net income for 2 persons (parent and child) is \$2,970; parent has no additional deemed income to be considered. Schedule MA-1 for 2 persons is \$2,052. The unit is ineligible due to excess income of \$918 (\$2,970 - \$2,052) for a 6 month period under consideration. There is no additional income to be considered for the parent. Once spend-down requirement is met, the child and parent may be certified under spend-down for the same period.

Case #2 – Countable net income for 3 person (parent, 2 children) is \$2,340; parent has additional deemed income of \$60 to be considered. Schedule MA-1 for 3 persons is \$2,250. The unit is ineligible due to excess income of \$90 (\$2,340-\$2,250) for a 6 month period under consideration. The parent has an additional spend-down amount of \$60 (amount of the additional deemed income).

Complete Example of Stepparent Deeming

Stepfather	-	gross monthly earned income - \$675
Stepchild	-	gross monthly unearned income - \$150
Parent (spouse)	-	no income

Schedule H, TCA Standard of Need (Column III) for 1 person - \$202/monthly
 Schedule MA-1 for 1 person - \$300/month; \$1,800 for 6 month period
 Schedule MA-1 for 2 persons - \$342/month;\$2,052 for 6 month period

Step A Determine the amount of income deemed available from stepparent to the spouse/parent

\$675 – Monthly gross earned income
 - 75 - Work expense deduction
 \$600 - Countable income
 -202 - TCA Standard of Need for 1 person (Stepparent)
 \$398 - Additional available deemed income to spouse

Step B \$398 - Monthly available deemed income to spouse
 X 6 – 6 month period under consideration
 \$2,388 – Available deemed income for 6 months
 -1,800 – Amount not to exceed Schedule MA-1 for 1 person (spouse)
 \$588 - Additional deemed income

The amount of available deemed income \$2,388 for 6 month period under consideration exceeds Schedule MA-1 (\$1,800) by \$588 (\$2,388 - \$1,800). Only an amount up to Schedule MA-1 (\$1,800) may be considered in determining the assistance unit’s eligibility. Any additional deemed (\$588) must be considered in determining parent’s eligibility only.

Step C Schedule MA-1 for 2 persons is \$342/month, \$2,052 for 6 month period.

Step D Countable income (6 month period under consideration)

 \$150 x 6 = \$900 – Child’s income
 - 300 x 6 = 1800 – Parent’s deemed income up to Schedule MA
 = 450 x 6 = 2700 – Countable net income
 - 342 x 6 = -2052 – Schedule MA-1 (2 persons)
 = 108 x 6 = 649 - Excess countable income

Step E Not applicable due to excess income

Step F Excess Countable Income

There is excess income in the amount of \$648 for the 6 month period under consideration. For the child to be eligible for MA, the unit must incur medical expenses totaling \$648.

Additionally, for the parent to be eligible for MA, she must incur additional medical expenses of \$588 for the 6 month period under consideration.

600. 13 TCA Schedule

FIP SCHEDULE
Monthly Allowable Amounts Paid
 Effective: October 1, 2008

A	B	C
Family Size	Allowable Payment	50% Poverty Level
1	\$259	\$433
2	453	583
3	574	733
4	695	883
5	805	1033
6	885	1183
7	995	1333
8	1095	1483
9	1182	1633
10	1278	1783
11	1394	1933
12	1459	2083
13	1549	2233
14	1639	2383
15	1733	2533
16	1846	2683
Each Person	Add \$ 109	Add \$ 150
More Than 16		

“50 Poverty Level” reflects Federal Poverty Levels effective April 1, 2008

600.14 Summary of Assistance Unit Regulations

The construction of an assistance unit is the means by which Medical Assistance (MA) eligibility is determined. The term “assistance unit” refers to one person or group of persons who represent a family whose eligibility is determined together or in conjunction with each other. Some may include members who technically qualify both as Aged, Blind, or Disabled (ABD or a member of a Family and Children (FAC) unit. Regulations permit these persons to apply during an established period under consideration in either category for which they technically qualify.

The period under consideration established for the first unit determined eligible in the family (or whose case is in preserved spend-down status) applies to all other family members who are initially excluded or opt not to apply but subsequently apply for Medical Assistance. Within that period under consideration, the begin date for eligibility determination is the month in which the person request eligibility to begin. The actual certification date is dependent upon the day the person becomes eligible. The end date is that which has been established based on the first unit determined eligible or placed in preserved status, i.e., all units or persons within a family must have the same end date.

Such a family composition may result in more than one assistance unit within a family. For example: The ABD person may wish to apply as ABD while other family members must apply as FAC if MA is requested for them. On the other hand, only one unit may be required because of either one of the following:

- a. The applicant may wish the FAC application to include all family members desiring MA;
- b. Only the ABD person may wish to apply for MA.

The point to be made is that multi-family units are not automatic; that one application for family members in one unit (ABD or FAC) does not necessitate an application for person(s) in a second unit. More than one assistance unit is established on the basis of an applicant’s understanding of the options.

Regardless of the number of units within a family, financial eligibility is determined on the basis of the income and resources of all members of the assistance unit as well as those of parents and spouses not included in the unit or who are included in a separate unit (including a TCA unit).

There are two (2) exceptions to this rule which prevail throughout the application of these requirements:

- a. The income and resources of an SSI recipient is not considered in determining the eligibility of any other person, nor is an SSI recipient included in the assistance unit of any other person.
- b. The income and resources of the parents of a blind or disabled child who applies as blind or disabled may not be considered after the child reaches age 18.

Although exclusion of a child or children from an FAC assistance unit is permissible, at least one child must be included in the FAC unit with a parent or CTROP. It may be an own or related child. In the event that some of the children are dependent and others are other is not, the assistance unit must include a child who is dependent.

In an intact family (parents and their children) it does not matter which child is excluded.

It is necessary to include a child in the unit because of the required use of the FAC rules to a family which includes children. When a parent is a PA recipient and a child of the parent applies for MA because of technical ineligibility for TCA; e.g. age 18 or over, the income and resources of the PA parent are considered in determining the child's MA eligibility. The TCA grant is prorated among the TCA unit members. Any other income is prorated among the parent and the parent's total dependents. The parent's prorated amounts of the TCA grant and any other income are added to the child's income (including the child's prorated amount of parent's own income) to determine financial eligibility of the child.

Aged, Blind or Disabled

- A.** An assistance unit of ABD persons (individual or couple) may include no more than 2 persons.
 1. An ABD adult not living with a spouse or a related child is an assistance unit of one (1). Only the income and resources of the individual are considered.
 2. An ABD individual and spouse (including a couple with both spouses qualifying as ABD) not living with a related child are considered an assistance unit of two (2). Both are included in the unit and the income and resources of both are considered.

B. ABD Adult(s) Living with Related Children:

When an adult or a couple living with a dependent child qualifies in two (2) federal categories (ABD and a caretaker relative) he/she may apply as either an ABD person or a caretaker relative. The selection option is available at the time of application. The category selected prevails throughout the period under consideration.

1. If the person chooses to apply as ABD, the assistance unit will include only the ABD person
2. If the person's spouse is also ABD, the spouse has the same options the spouse also chooses to apply as ABD, both ABD spouses will be included in one unit.

Note

- If the person chooses to apply as a member of an FAC unit, he/she will be included in the FAC unit as a caretaker relative
- A non-ABD spouse will not be included in the ABD unit but will be a member of the FAC unit as a caretaker relative

The income and resources of the spouse are considered in determining financial eligibility of the ABD person.

C. Blind or Disabled Child:

An unmarried person under 21 years old who is also blind or disabled may apply as BD or a person under 21 years old. The BD child may or may not be living with a parent or caretaker relative.

1. If the child applies as blind or disabled, the child is an assistance unit of one.
2. If MA is requested for more than one BD child in a family, and the BD option is selected, each child is a separate unit.
3. When a BD child lives with a caretaker relative other than parent (CTROP) and opts to apply as BD, the income and resources of the caretaker relative (CTR) are not considered in determining the BD child's eligibility.
4. When a BD child under age 18 lives with a parent(s) and opts to apply as BD, the parent's income and resources are considered in determining the child's eligibility.

Note: If the child applies as a member of an FAC unit, the FAC rules apply.

Families and Children

The rules governing families and children cover a wide range of family groupings and living arrangements. The regulations embrace the concept that a family is composed of parents or caretaker relatives other than parents and the related children for whom they are responsible. With a few exceptions, an applicant may specify which family members he/she wishes to apply for, and conversely may elect to exclude certain numbers.

Decisions may also be made as to whether a person applies as ABD or a member of an FAC unit.

a. Parents

A parent is included in the FAC unit unless he/she applies as ABD or as an ABD person opts not to apply at all, is an SSI recipient, is a spouse of a stepparent, or is a minor child of a grandparent and may be excluded.

1. A non-ABD parent is required to be in the FAC unit.
2. An ABD parent who opts to be a member of an FAC unit is included in the unit.
3. A parent who is an SSI recipient is not included in an FAC unit, and his/her income and resources are not considered in determining eligibility of any unit member.
4. The spouse (parent) of a stepparent CTROP may be excluded from the unit if he stepparent is excluded. The parent's income and resources are considered in determining financial eligibility of the child in the unit.
5. Minor child (parent) of a grandparent may be excluded from the unit. The minor parent's income and resources are considered in determining financial eligibility of minor parent's child who is in the unit.
6. An aged parent who does not qualify also as a caretaker relative may apply as aged and therefore may not be included in the FAC unit (age in itself is not a deprivation factor.)

b. Caretaker Relative Other Than Parents

A CTROP may choose to be included in or excluded from the FAC unit.

1. If the CTROP opts to be included in the unit, his/her income and resources along with those of all unit members will be considered in determining financial eligibility of the unit.
2. If the non-ABD CTROP opts to be excluded from the unit, his/her income and resources are not considered in determining financial eligibility of the unit, unless the spouse is included in the unit.
 - The non-ABD CTROP is excluded from the unit, separate eligibility determination may not be made.
 - When the CTROP opts for exclusion, the spouse of the CTROP may also choose to be excluded from the unit.

Note: In the case of a CTROP stepparent from the unit, the spouse of the stepparent (who is also parent of a child in the unit) may also be excluded. This is one of only two situations that permits exclusion of a non-ABD parent from the unit. However, the parent's income and resources are considered in determining financial eligibility of the child in the unit.

3. The ABD CTROP may choose to be included in or excluded from the FAC unit.

- If the ABD CTROP opts to be included in the unit, his/her income and resources along with those of all other unit members are considered in determining financial eligibility of the unit.
- If the ABD CTROP chooses to be excluded from the FAC unit, his/her income and resources are considered in determining the spouse's eligibility who is in the unit. He/she retains his/her option to select any federal category in which technical eligibility may be established during the period under consideration.
 - He/she may apply as ABD in a separate unit; or
 - He/she may apply as FAC and be added to the existing unit.

c. Children Living with a Parent (CTR) or CTROP:

At the option of the parent or CTROP, a child may be included in or excluded from the FAC unit with the CTR or CTROP so long as at least one child is in the unit.

1. If a child is included in the unit, his/her income and resources as well as those of all other unit members are considered in determining financial eligibility.
2. If a child is excluded from the unit, his/her income and resources are not considered in determining financial eligibility of the unit.
3. If a non-blind or disabled child is excluded from the unit, a separate eligibility determination may not be made.
4. If a blind or disabled child is excluded from the FAC unit, he/she may apply as blind or disabled and a separate eligibility determination will be made using the ABD rules.

The income and resources of the parent of the child are considered whether or not the parent is included in the unit.

Note –

In a three (3) generation family (grandparent, minor parent, minor's child), the grandparent and the minor parent may be excluded from an assistance unit for the minor's child. However, the income and resources of the minor parent will be considered in determining financial eligibility of his/her child.

d. Children Not Living with a Parent of CTROP:

Each child not living with a parent of CTROP is permitted to have an individual eligibility determination. Individual eligibility determination means that this person will not be included in an assistance unit with any other and eligibility of each child is determined independent from that of any other person. This means that the income and resources of no other person may be considered.

These persons are:

1. Unmarried persons younger than 21 years old not living with their own child, a parent, or other caretaker relative.

2. Unmarried persons younger than 21 years old placed in public or private foster care arrangements.

Note: If the circumstances that permit individual eligibility determinations change, the child may lose his individual eligibility, determination status.

e. Subsequent Application of an Excluded Person:

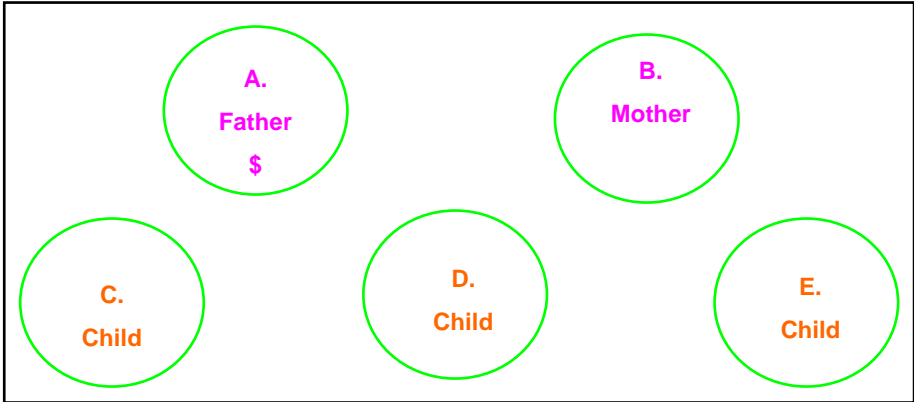
An excluded person may subsequently apply for MA during the period under consideration.

1. A person excluded from the FAC unit retains his/her right to apply as ABD or FAC.
2. A non-ABD person is required to be added to the existing FAC unit.
3. An ABD person who chooses to apply as FAC is added to the existing FAC unit.
4. When a person is added to the existing FAC unit, after all non-financial eligibility requirements are met, his/her income and resources are considered beginning with the month coverage is requested and for the remainder of the period under consideration. In addition, the income and resources of parents or spouses are considered whether or not they are included in the unit. A decision of ineligibility for the added member will not affect the status of the currently eligible unit for the remainder of the certification period.
5. An FAC person who chooses to apply as ABD will have a separate eligibility determination made. The income and resources of a spouse or parents will be considered in determining the ABD person's eligibility.

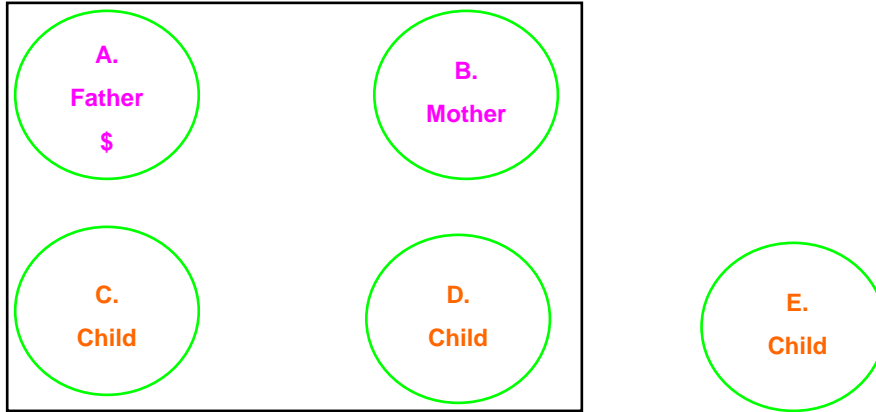
f. Additions to the Household:

A new member of the household will be considered in relation to all applicable regulations, i.e., application and choice of category, choice for exclusion, consideration of income and resources, etc. If the new member of the household is a parent or a spouse, the person's presence must be considered in relation to the currently eligible units continued eligibility. The currently eligible unit may or may not continue to be eligible.

Attachment A- Assistance Unit Examples

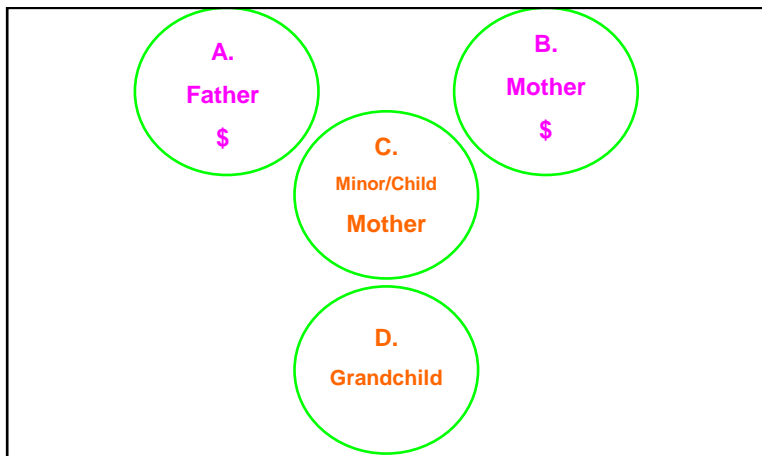


- Category: FAC
- Unit Members: A, B, C, D, E
- Income and Resources: A, B, C, D, E
- MA1 Income Standard (5): \$2530.00 per month



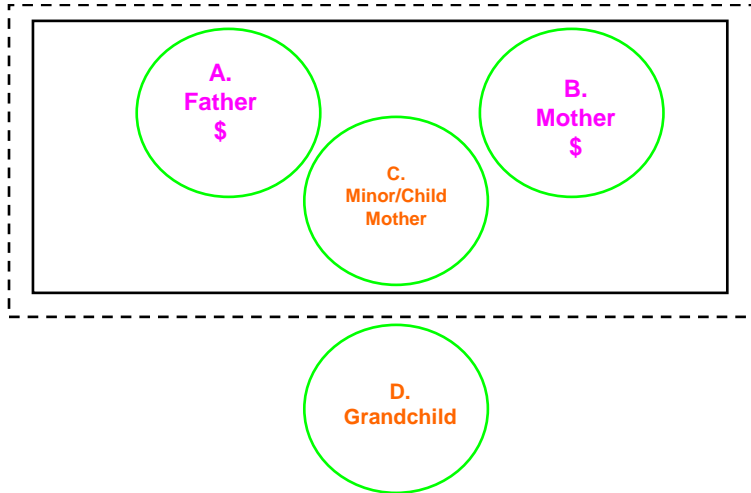
- **Category:** FAC
- **Unit Members:** A, B, C, D,
- **Income and Resources:** A, B, C, D,
- **MA1 Income Standard (4):** \$2161.00 per month
- **NOTE:** Child "E" is excluded from the Assistance Unit.

4



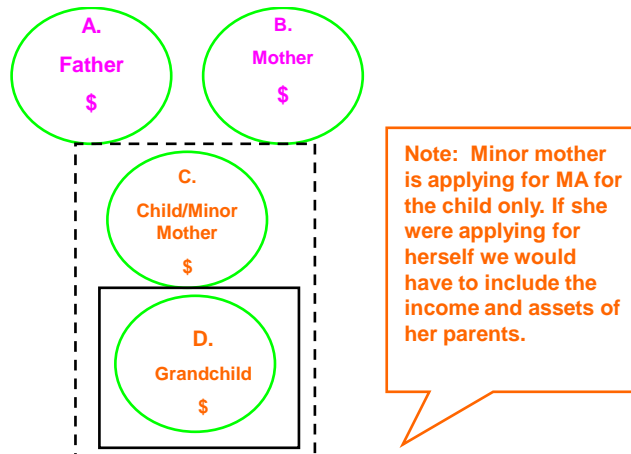
- Category:** FAC
- Unit Members:** A, B, C, D
- Income and Resources:** A, B, C, D
- MA1 Income Standard (4):** \$2161.00 per month

5



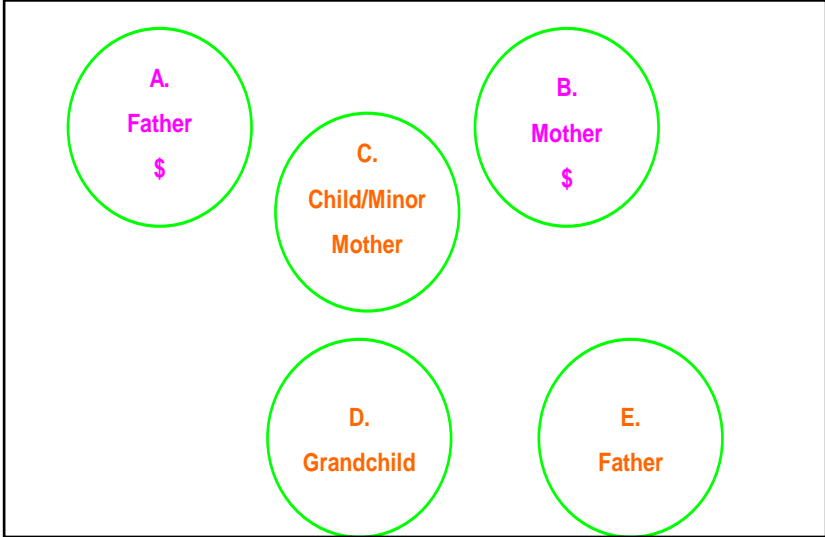
Category: FAC
Unit Members: A, B, C
Income and Resources: A, B, C
MA1 Income Standard (3): \$1792.00 per month

6

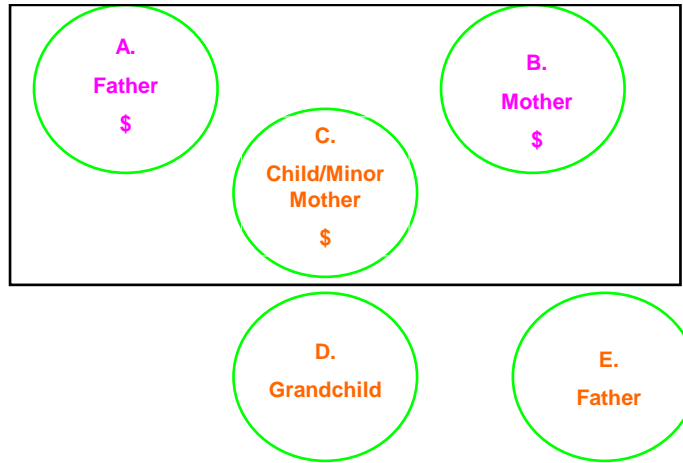


Category: FAC
Unit Members: D
Income and Resources: C, D
MA1 Income Standard (2): \$1422.00 per month

7



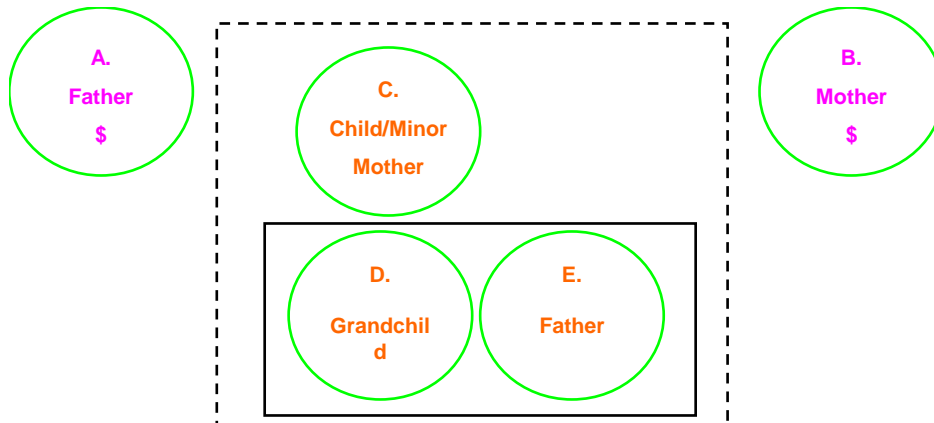
Category: FAC
Unit Members: A, B, C, D, E
Income and Resources: A, B, C, D, E
MA1 Income Standard (5): \$2530.00 per month



Note: Excluding the grandchild breaks father "E's" relationship to the family. Therefore, he is not included in the assistance unit.

Category: FAC
 Unit Members: A, B, C
 Income and Resources: A, B, C
 MA1 Income Standard (3): \$1792.00 per month

9

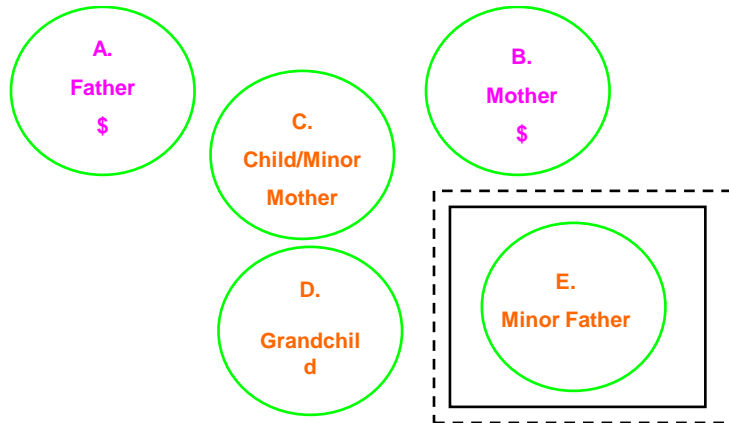


Family Composition: 3 Generations: Parents, their minor child, grandchild, and father of the grandchild.

Option: The minor Mother is excluded as well as her parents. Minor Mothers income and resources are counted. She will not receive MA for herself.

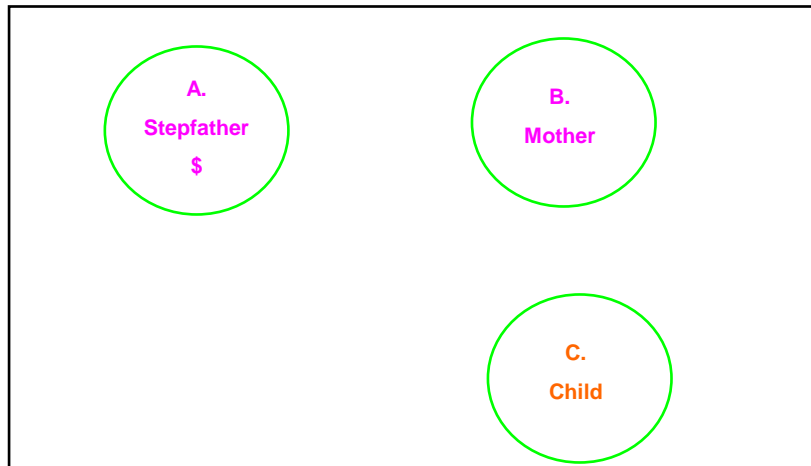
Category: FAC
 Unit Members: D,E
 Income and Resources: C, D, E
 MA1 Standard (3): \$1792.00 per month

10

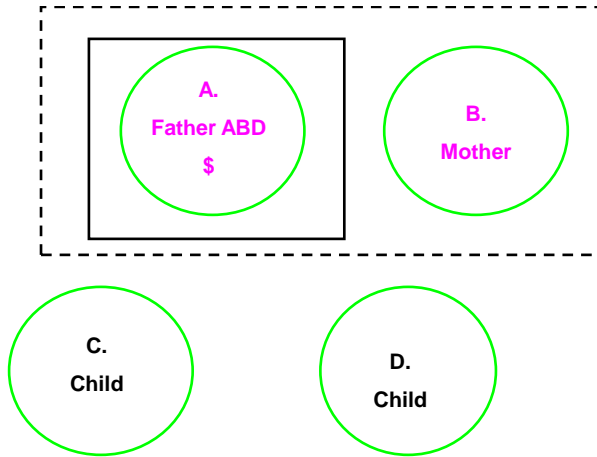


Category: FAC
 Unit Members: E
 Income and Resources: E
 MA1 Standard (1): \$1053.00.00 per month

Minor Father is financially responsible for his child. However, he is a child himself therefore he can elect to exclude himself as a child.

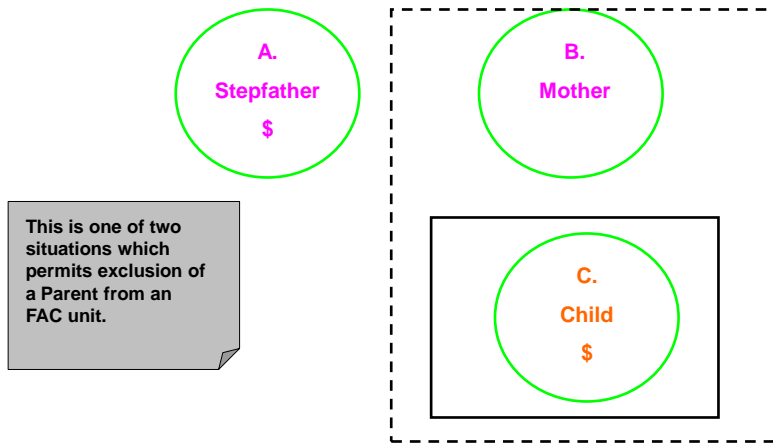


Category: FAC
 Unit Members: A, B, C
 Income and Resources: A, B, C
 MA1 Standard (3): \$1792.00 per month



Category: ABD
Unit Members: A
Income and Resources: A, B
MA1 Standard (2): \$392.00 per month
MA2 Standard (2): \$3,000.00

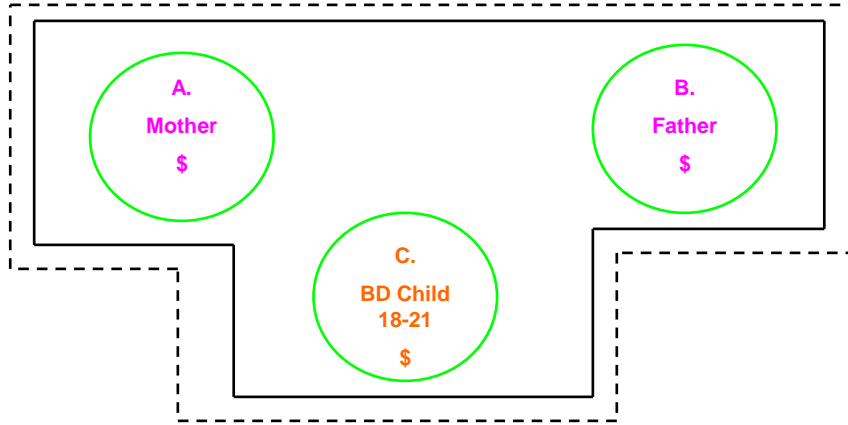
13



Category: FAC
Unit Members: C
Income and Resources: B, C
MA1 Standard (2): \$1422.00 per month

Since the mother is not requesting MA for herself, the Stepfathers income can be excluded.

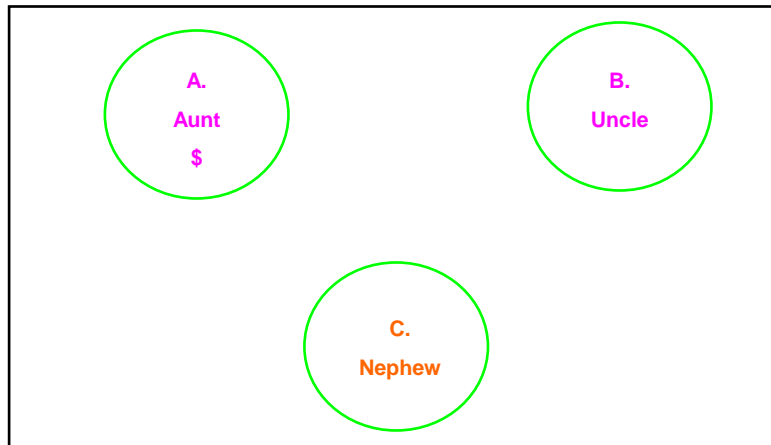
14



Family Composition: Parents with a Blind/Disabled child between 18-21 years old. BD Child, 18-21 years old, Applies as FAC, Everyone included

Category: FAC
Unit Members: A, B, C
Income and Resources: A, B, C
MA1 Standard (3): \$1792.00 per month

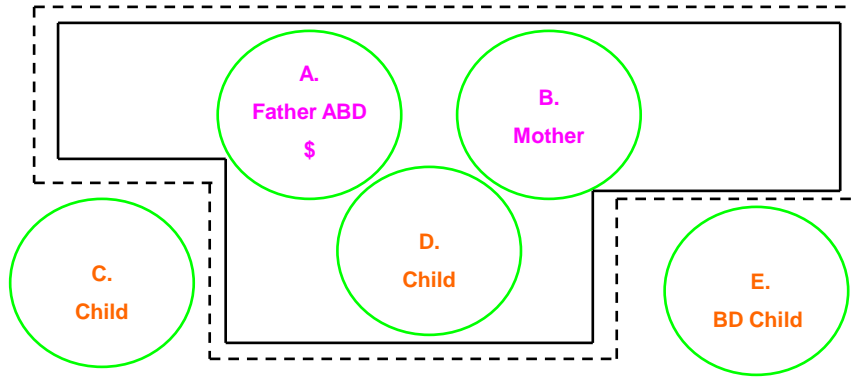
15



Category: FAC
Unit Members: A, B, C
Income and Resources: A, B, C
MA1 Standard (3): \$1792.00 per month

The Aunt and Uncle can elect to be included in the assistance unit as Care Taker Relatives.

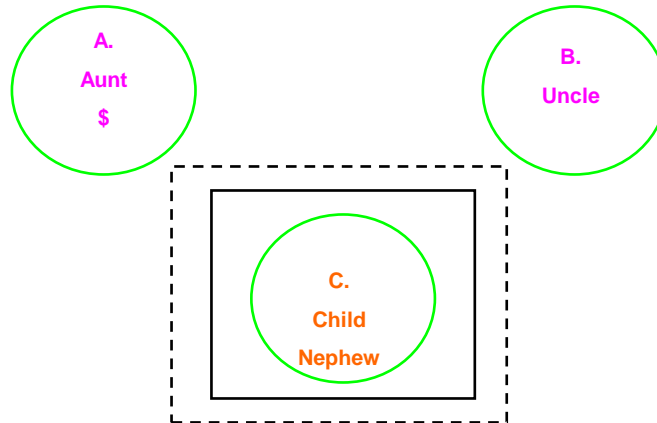
16



Applying for Mother and child D only. Must include Fathers income and resources in calculation.

Category: FAC
Unit Members: A, B, D
Income and Resources: A, B, D
MA1 Standard (3): \$1792.00 per month

17

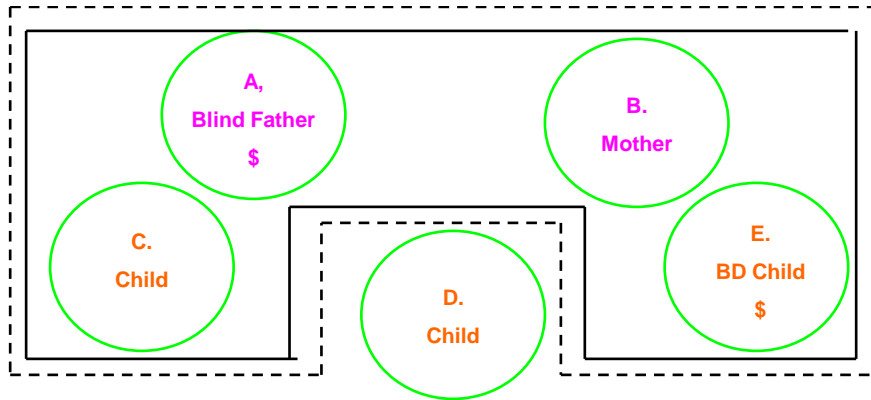


Family Composition: Caretaker Relative Other Than Parent (CTROP) and Related Child

Option: The CTROP's elect to be excluded

Category: FAC
Unit Members: C
Income and Resources: C
MA1 Standard (1): \$1053.00 per month

18

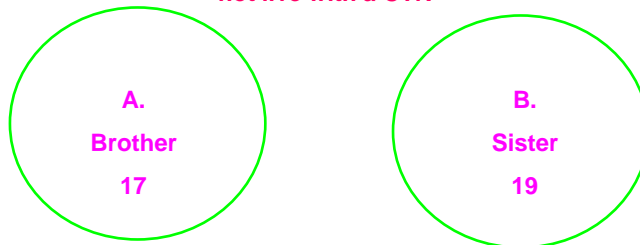


Both the ABD Parent and the Blind/Disabled Child are included and do not apply separately as BD or ABD.

Category: FAC
Unit Members: A, B, C, E
Income and Resources: A, B, C, E
MA1 Standard (4): \$2161.00 per month

19

Separate Units are required when siblings do not live with a CTR

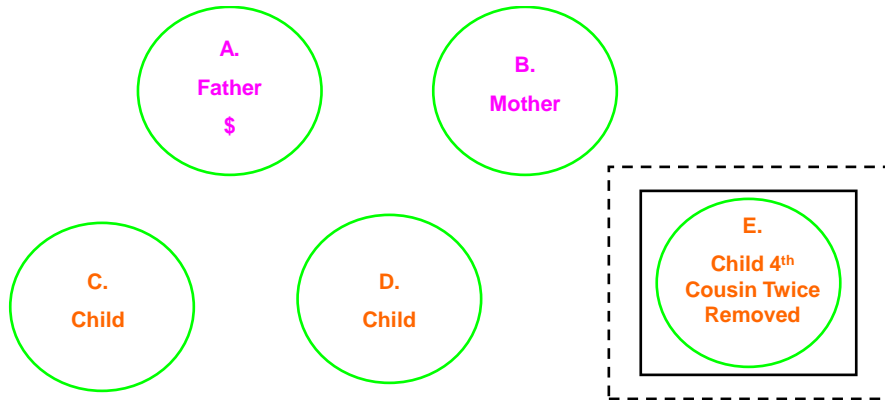


Both Brother and Sister are applying

Category: FAC
Unit Members: A
Income and Resources: A
MA1 Standard (1): \$1053.00 per month

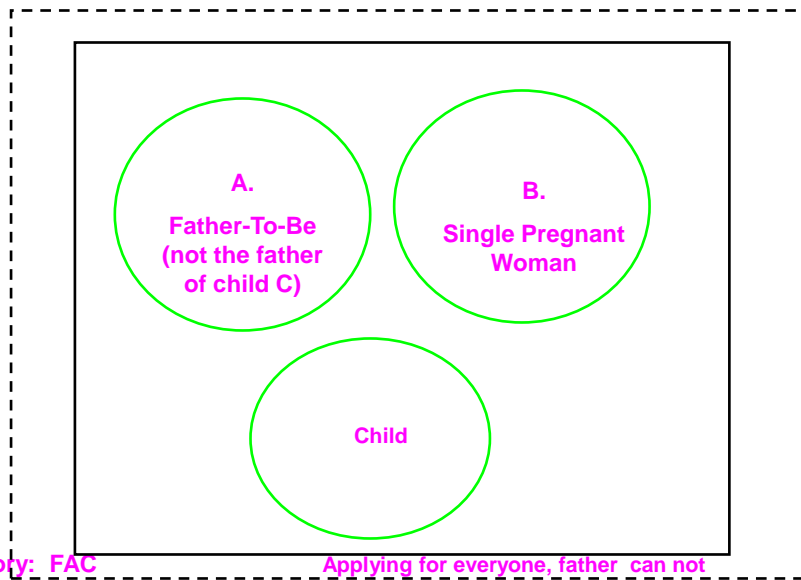
Category: FAC
Unit Members: B
Income and Resources: B
MA1 Standard (1): \$1053.00/month

20



Category: FAC
Unit Members: E
Income and Resources: E
MA1 Standard (1): \$1053 per month

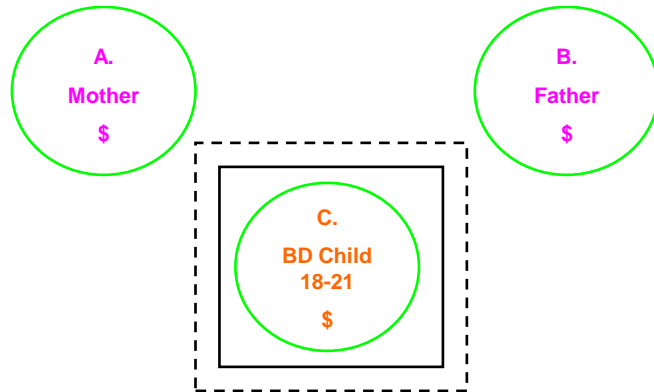
21



Category: FAC
Unit Members: B, C
Income and Resources: B, C
MA1 Standard (2): \$1422.00 per month

Applying for everyone, father can not be included until the unborn child is born.

22



Category: ABD
Unit Members: C
Income and Resources: C
MA1 Standard (1): \$350.00 per month
MA2 Standard (1): \$2,500.00

Parental financial responsibility ends at age 18 for a child who applies as ABD.

Section 600 Frequently Asked Questions and Answers

The Assistance Units

1. What are all the variations of the ABD Unit?

When a family is comprised of only an ABD individual or couple (i.e. one or both qualify as ABD) not living with a relocated child, the unit is designated as ABD. The unit maximum is 2 people. If two persons, they must be married and have a spouse for spousal responsibility.

2. What are distinct combinations of the FAC Unit?

All families comprised of parents and children or caretaker relatives other than parents (CTROP) and children, and persons under age 21 whether or not living with parents or CTROP, are initially designated as FAC. The explanation of the eligibility determination process is covered in the FAC section. When an FAC person also qualifies as ABD, the explanation of the eligibility determination process is covered in the FAC section. A pregnant woman is included under this designation (See section “Parent – Pregnant Woman”)

3. What are the ramifications for CTROP to be included in the FAC unit?

If the CTROP chooses to be included in the FAC unit, the income and resources of the CTROP, along with that of the other unit members, will be considered in determining the financial eligibility of the unit. In addition, the income and resources of the non-SSI spouse must also be considered (if in the home) whether or not the spouse is included in the unit is excluded from the unit or is in a separate ABD unit.

4. What is considered an Excluded Person from a FAC unit in a subsequent ABD application?

If the person excluded from the FAC unit subsequently applies as ABD (exercises his option as an aged, blind or disabled person), the following ABD rules apply:

- A separate eligibility determination is required. If an ABD couple exercises this option, the couple must be included in the same ABD unit.
- The income and resources of the parents or spouse of the person (whichever the case may be) must be considered in accordance with the appropriate provisions of this chapter.

5. What is considered income and resources regarding general provisions?

As a general rule, the income and resources of all persons included in an assistance unit are considered in determining eligibility. In addition, spouses and financially responsible for each other and parents are responsible for their children whether or not they are included in a unit together.