

2669 - RSM BUDGETING

POLICY STATEMENT	Right from the Start Medicaid (RSM) budgeting procedures are used to budget all applications and periodic reviews of financial eligibility for RSM Pregnant Women (RSM-PgW) and RSM-Child.
BASIC CONSIDERATIONS	<p>The RSM budget includes the income of all individuals in the budget group (BG).</p> <p>RSM uses LIM criteria for determining types of included income and expenses for BG members.</p> <p>EXCEPTION: Refer to Section 2650, Budgeting Overview for treatment of earnings of a minor.</p> <p>A percentage of the FPL is used to determine RSM financial eligibility based on the BG's net countable income.</p> <p>Countable income is the BG's income after deducting the following:</p> <ul style="list-style-type: none"> • \$50 child support deduction, if applicable • allocated income • any other income excluded by law (refer to Chapter 2400, Income) • earned income of a child <p>EXCEPTION: Earned income of a pregnant minor applying for or receiving RSM PgW and earned income of a minor parent treated as an adult are not excluded.</p> <ul style="list-style-type: none"> • cost of doing business for self-employed individuals. <p>Countable income includes deemed income. Refer to Section 2661, Responsibility Budgeting.</p> <p>Individuals having financial responsibility in RSM include the following:</p> <ul style="list-style-type: none"> • parents are financially responsible for children • spouses are financially responsible for spouses

PROCEDURES

Follow the steps below to determine eligibility for RSM.

- Step 1** Determine the gross countable income of the BG.
- Step 2** Subtract from the gross countable income the following deductions in the order indicated:
- \$50 child support deduction using LIM criteria
 - \$90 earned income deduction for each employed BG member
 - \$30 earned income deduction, if allowable, for each employed individual
 - 1/3 of the remaining earned income, if allowable, for each employed individual
 - dependent care expenses using LIM limits.
- Refer to Section 2655, Family Medicaid Deductions.
- Step 3** Deduct any allocated income. Refer to Section 2661, Family Medicaid Responsibility Budgeting.
- Step 4** Select the appropriate RSM income limit, a percentage of the Federal Poverty Level (FPL) for the BG size using the criteria below. Refer to Appendix A2, Financial Limits for Family Medicaid.
- 200% of the FPL for pregnant women and infants born to Medicaid-eligible women
- NOTE:** Infants born to Medicaid-eligible mothers are considered to have met the Newborn Medicaid income limit, regardless of the budget group's income at the time of delivery.
- 185% of the FPL for children, birth through the month the child reaches age one for children who are ineligible for Newborn Medicaid.
 - 133% of the FPL for children age one through the month in which the child turns age six.
 - 100% of the FPL for children age six through the month in which the child turns age 19.

PROCEDURES
(cont.)

Step 5 Compare the net countable income to the appropriate RSM income limit for the BG size.

- If the net countable income is less than or equal to the appropriate RSM income level, approve the AU members for RSM.
- If the net countable income exceeds the appropriate RSM income level for the BG size, the AU members are ineligible for RSM. Complete a CMD including the referral of an ineligible child to PeachCare for Kids (PFK).

NOTE: Because the RSM-Child income limits vary based on the age of the child, it is possible that a child(ren) may be eligible for RSM while another child(ren) in the same BG may be ineligible. Complete a CMD as indicated above for an ineligible child(ren) in a budget group.